

HEARING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Application for)
Certification for the) Docket No. 98-AFC-3
DELTA ENERGY CENTER)
(CALPINE CORPORATION and)
BECHTEL ENTERPRISES, INC.))
-----)

CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

TUESDAY, OCTOBER 5, 1999

9:00 A.M.

Reported by:
Debi Baker
Contract No. 170-99-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

William A. Keese, Chairman
Presiding Member

Robert Pernell, Commissioner
Second Member

STAFF PRESENT

Susan Gefter, Hearing Officer

Major Williams, Jr., Hearing Officer

Cynthia Praul, Adviser to Chairman Keese

Rosella Shapiro, Adviser to Commissioner Pernell

Paul C. Richins, Jr., Siting Project Manager

Dick Ratliff, Senior Staff Counsel

Eileen Allen, Project Manager

Charles Najarian

Steve Baker

Al McCuen

Gary Walker

Robert Anderson

David Flores

Chris Tooker

Rick Tyler

Mike Ringer

Constance Parr Leni

Robert L. Anderson

PUBLIC ADVISER

Roberta Mendonca

Priscilla Ross

REPRESENTING THE APPLICANT

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Delta Energy Center
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Pittsburg, California 94565-0055

Jerry P. Salamy, Air Quality Engineer
CH2M Hill
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Sacramento, CA 95833

INTERVENORS PRESENT

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California Unions for Reliable Energy (CURE)
Adams Broadwell Joseph & Cardozo
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South San Francisco, California 94080

Paulette Lagana, CAP-IT

Michael Boyd, Californians for Renewable Energy

R. Peter Mackin, P.E., Grid Planning Engineer
California Independent System Operator (ISO)
151 Blue Ravine Road
Folsom, California 95630

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

INTERVENORS

Avan Gangapuram, Project Planner
City of Pittsburg
65 Civic Avenue
P.O. Box 1518
Pittsburg, California 94565-0518

ALSO PRESENT

Martin Castro, KXJZ Radio

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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1 P R O C E E D I N G S

2 9:00 a.m.

3 PRESIDING MEMBER KEESE: This is a
4 continuation of evidentiary hearings on Calpine
5 and Bechtel's application for certification of the
6 Delta Energy Center. This hearing is conducted in
7 Sacramento.

8 However parties and interested members
9 of the public who chose not to travel to
10 Sacramento were invited to call a toll free number
11 to participate in the hearing by teleconference.
12 We can hear you when you speak into the phone, and
13 we hope that you can hear the proceedings as we
14 take testimony today.

15 Our audio system is not working
16 perfectly, so we would appreciate those who are
17 listening by telephone letting us know how this
18 works. And we're trying to get our audio system
19 to work for this room. We certainly want it to
20 work for you, also.

21 Before we begin I'd like to introduce
22 the Committee and ask the parties to identify
23 themselves for the record. We will ask the
24 individuals who are attending this hearing by
25 phone to identify themselves when we indicate your

1 name or organization. If you are not affiliated
2 with an intervenor or organization, please
3 identify yourself as we proceed.

4 We will now introduce the Committee.
5 And I'm Bill Keese, Chairman of the Energy
6 Commission, and Lead on this case. We have with
7 us Commissioner Robert Pernell, the Second on this
8 case. My Adviser, Cynthia Praul and Mr. Pernell's
9 Adviser, Rosella Shapiro.

10 And most of the rest of this proceeding
11 this morning will be handled by our Hearing
12 Officer Susan Gefter. And I'll ask, at this time,
13 the parties to identify themselves for the record,
14 and Susan will proceed. I will be stepping out of
15 the room for a few moments.

16 HEARING OFFICER GEFTER: Would the
17 applicant please identify yourself for the record,
18 and try to speak into the microphones so that
19 people on the teleconference can hear you.

20 MR. HARRIS: Thank you very much, Susan.
21 My name is Jeff Harris with the lawfirm of Ellison
22 and Schneider, and I'm counsel to the Delta Energy
23 Center.

24 MR. BUCHANAN: Good morning, my name is
25 Douglas Buchanan; I'm the Development Manager for

1 the Delta Energy Center Project.

2 MS. STRACHAN: I'm Susan Strachan, the
3 Environmental Project Manager for the Delta Energy
4 Center Project.

5 HEARING OFFICER GEFTER: Thank you. Is
6 there any other representative from the applicant
7 here today?

8 MR. CASTRO: Martin Castro from KXJZ
9 Radio.

10 HEARING OFFICER GEFTER: Okay, thank
11 you, just a minute. I'm asking for Calpine/Delta,
12 if anyone else from Calpine/Delta is here, could
13 they please come to the mike and identify
14 yourself.

15 MR. SALAMY: My name is Jerry Salamy
16 with CH2M Hill.

17 HEARING OFFICER GEFTER: Okay, thank
18 you. I would like the staff to introduce
19 themselves for the record, please. Mr. Ratliff.

20 MR. RATLIFF: I'm Dick Ratliff, counsel
21 for the staff.

22 MR. RICHINS: Paul Richins, Project
23 Manager for the Energy Commission Staff.

24 HEARING OFFICER GEFTER: Thank you. And
25 the intervenors, is CURE on the phone?

1 MS. POOLE: Yes, good morning, Kate
2 Poole for CURE.

3 HEARING OFFICER GEFTER: Thank you. And
4 representing CAP-IT?

5 MS. LAGANA: Yes, this is Paulette
6 Lagana with CAP-IT.

7 HEARING OFFICER GEFTER: Thank you. And
8 there was another person who just introduced
9 yourself, who was that?

10 MR. CASTRO: Martin Castro from KXJZ.

11 HEARING OFFICER GEFTER: From, I'm
12 sorry?

13 MR. CASTRO: Martin Castro from KXJZ.

14 HEARING OFFICER GEFTER: KXJZ? Is that
15 a radio station?

16 MR. CASTRO: That's correct.

17 HEARING OFFICER GEFTER: Here in
18 Sacramento?

19 MR. CASTRO: Yes.

20 HEARING OFFICER GEFTER: Okay, anyone
21 else representing the City of Antioch? City of
22 Pittsburg? Southern Energy? Community Health
23 First?

24 MS. MENDONCA: Good morning, I'm Roberta
25 Mendonca, the Public Adviser. This morning I

1 received a ten-page email transaction from
2 Community Health First from Joe Hawkins. Mr.
3 Hawkins indicated that he is not able, due to a
4 disability, to be on the phone this morning, but I
5 do have some comments from Mr. Hawkins that will
6 be appropriate later on in the area of engineering
7 facility design. His comments were offered on the
8 area of air quality and public health. And I will
9 be presenting those for Mr. Hawkins at that time.

10 HEARING OFFICER GEFTER: Okay, the
11 hearing on air quality and public health is now
12 scheduled for November 3rd, but we understand that
13 the comments that he filed regarding those topics
14 have been sent by email and hopefully to all the
15 other parties, as well.

16 MS. MENDONCA: There was an indication
17 that the email was electronically served on the
18 other parties.

19 HEARING OFFICER GEFTER: Okay, thank
20 you. I heard another voice on the phone. Is
21 there someone else who just joined us?

22 MR. BOYD: Yes.

23 HEARING OFFICER GEFTER: And could you
24 identify yourself, please?

25 MR. BOYD: My name is Mike Boyd and I'm

1 the President of Californians for Renewable
2 Energy.

3 HEARING OFFICER GEFTER: Thank you.
4 Okay, and we will --

5 MS. ROSS: Susan Gefter?

6 HEARING OFFICER GEFTER: Yes.

7 MS. ROSS: This is Priscilla Ross and
8 I'm monitoring the call from the Public Adviser's
9 Office.

10 HEARING OFFICER GEFTER: Yes, thank you.
11 Can you hear okay?

12 MS. ROSS: Yes, it sounds fine.

13 MR. BOYD: You guys sound kind of far
14 away to me.

15 HEARING OFFICER GEFTER: Okay, please
16 identify your name when you speak so that we know
17 who is speaking to us.

18 MR. BOYD: Okay.

19 HEARING OFFICER GEFTER: Okay.

20 MR. BOYD: My name is Mike Boyd and I
21 have one quick question.

22 HEARING OFFICER GEFTER: Okay, Mike, go
23 ahead.

24 MR. BOYD: I actually have a job and I
25 was wondering if it's possible to get a time

1 certain to -- basically my issues have to do with
2 alternative siting.

3 HEARING OFFICER GEFTER: Yeah,
4 alternatives will probably be coming up within
5 this hour because I think it's the third topic on
6 the list.

7 MR. BOYD: Okay.

8 HEARING OFFICER GEFTER: Yes, so --

9 MR. BOYD: So would it be possible to
10 like say get a time certain for 10:30?

11 HEARING OFFICER GEFTER: No. Within the
12 hour.

13 MR. BOYD: Oh, within the hour.

14 HEARING OFFICER GEFTER: Yes.

15 MR. BOYD: So I have time to go to work
16 and call back then?

17 HEARING OFFICER GEFTER: I don't
18 know, --

19 MR. BOYD: But it's not going to be in
20 the next --

21 HEARING OFFICER GEFTER: -- I can't
22 promise anything.

23 MR. BOYD: It's not going to be in the
24 next 15 minutes, correct?

25 HEARING OFFICER GEFTER: Probably not.

1 MR. BOYD: Okay.

2 HEARING OFFICER GEFTER: Okay.

3 MR. BOYD: Okay, thank you.

4 HEARING OFFICER GEFTER: Sure. Okay,
5 one of the intervenors, the intervenor Antioch
6 Unified School District, filed a request to
7 withdraw as an intervenor from this proceeding. I
8 believe the petition was served on all the
9 parties. I don't know if you've seen that
10 petition.

11 Are there any objections to the request
12 to withdraw as an intervenor by the Antioch School
13 District?

14 MR. HARRIS: No objection, Susan. We
15 just want to state for the record that we're
16 continuing to work with Antioch in addressing
17 their concerns, so we have a good relationship
18 established there.

19 HEARING OFFICER GEFTER: Thank you.
20 Does staff have any objection to the withdrawal of
21 that party?

22 MR. RATLIFF: No.

23 HEARING OFFICER GEFTER: Okay. And
24 there is no representative on the phone from the
25 Antioch School District? Okay, hearing none, the

1 Antioch Unified School District's request to
2 withdraw will be granted by the Committee. And
3 the District would no longer be entitled to the
4 rights or subject to the obligations of a party to
5 this proceeding. A written order will be issued
6 confirming this ruling.

7 We also wanted to identify
8 representatives of agencies that may be present
9 today. Is there anyone here from the California
10 Independent System Operator? Or do you anticipate
11 a representative from that organization to be here
12 later? I'll ask staff.

13 MR. RATLIFF: Yes.

14 HEARING OFFICER GEFTER: Yes. Okay.
15 And anyone either on the phone or present from the
16 Delta Diablo Wastewater Facility?

17 Is there any other representative from
18 any other agencies present today?

19 The Public Adviser, Roberta Mendonca,
20 has introduced herself and at this point perhaps
21 you could indicate to us the intervenors that you
22 have been working with and --

23 MS. MENDONCA: I believe the intervenors
24 that I've been working with have already been
25 identified. There are none that I anticipate at

1 this point in time. The office of the intervenor
2 has been available to assist people in
3 understanding the schedule, the procedures, and
4 becoming prepared for today's formal evidentiary
5 hearings.

6 HEARING OFFICER GEFTER: Okay. Are
7 there any other individuals or parties that are on
8 the phone that have not yet identified themselves?
9 Okay.

10 I'm going to give a little background on
11 the schedule for this case. And then we're going
12 to go into some procedural matters regarding the
13 exhibits.

14 On September 9th of this year the
15 Committee issued a notice scheduling today's
16 hearing. During the course of today's hearing the
17 Committee will take occasional short recesses, as
18 well as a lunch break, to be announced later.

19 The notice indicated that if we do not
20 complete the topics scheduled for today the
21 hearing will continue tomorrow, October 6th, at
22 2:00 p.m., here in Sacramento, again by
23 teleconference.

24 The Intervenors, Community Health First
25 and Californians for Renewable Energy, requested

1 an extension of the schedule. Having considered
2 their request, the parties' responses, and our
3 responsibilities to proceed in a timely manner,
4 the Committee issued an order denying their
5 request to extend the schedule. That order was
6 served on the parties last week.

7 Following today's hearings the next
8 hearings will be held in the Pittsburgh area on
9 October 13th, October 27th and November 3rd. And
10 that is contained in the order denying the request
11 to extend the schedule.

12 Evidentiary hearings are formal in
13 nature, similar to court proceedings. The purpose
14 of the hearings is to receive evidence including
15 testimony, and to establish the factual record
16 necessary to reach a decision in this case.

17 The applicant has the burden of
18 presenting sufficient substantial evidence to
19 support the findings and conclusions required for
20 certification of the proposed facility.

21 The order of testimony that will be
22 taken will follow for each topic. First, we will
23 hear the applicant's presentation of its case.
24 Then we will hear from staff. Then CURE, City of
25 Antioch, City of Pittsburgh, CAP-IT, Community

1 Health First and Californians for Renewable
2 Energy.

3 We will address the topics in the
4 sequence contained in the hearing order. First we
5 will hear testimony on project description;
6 followed by need conformance; alternatives;
7 facility design; power plant reliability; power
8 plant efficiency; transmission system engineering;
9 geological resources; cultural resources;
10 compliance; noise; traffic and transportation;
11 worker safety and fire protection; hazardous
12 materials and waste management.

13 Witnesses will testify under oath or
14 affirmation. During the hearings a party
15 sponsoring a witness shall establish the witness'
16 qualifications and ask the witness to summarize
17 the prepared testimony. Relevant exhibits should
18 be offered into evidence at that time.

19 At the conclusion of a witness' direct
20 testimony the Committee will provide the other
21 parties an opportunity for cross-examination,
22 followed by redirect and recross-examination as
23 appropriate. Multiple witnesses may testify as a
24 panel. The Committee may also question the
25 witnesses.

1 Upon conclusion of each topic area we
2 will invite members of the public to offer unsworn
3 public comment. Public comment is not testimony,
4 but may be used to explain evidence in the record.

5 Are there any questions at this point
6 regarding the process?

7 MS. LAGANA: I have a question. This is
8 Paulette Lagana with CAP-IT.

9 HEARING OFFICER GEFTER: Yes.

10 MS. LAGANA: Are there any members of
11 the public present in your meeting room up in
12 Sacramento?

13 HEARING OFFICER GEFTER: The Public
14 Adviser is indicating there are not.

15 MS. LAGANA: There are not. I also have
16 a statement in that because I am at work I may
17 have to drop out and back into the conference
18 during the day because I cannot spend the entire
19 day with you.

20 HEARING OFFICER GEFTER: Yes.

21 MS. LAGANA: Thank you.

22 HEARING OFFICER GEFTER: Okay, thank
23 you. Just indicate to us when you are leaving,
24 Paulette, okay?

25 MS. LAGANA: Yes, I will.

1 HEARING OFFICER GEFTER: Thank you.

2 Okay. Commissioner Pernell has a comment.

3 COMMISSIONER PERNELL: I have a
4 question. This is Commissioner Pernell. The City
5 of Antioch, they're not an intervenor anymore, so
6 will they have a --

7 HEARING OFFICER GEFTER: That would be
8 the school district. The City is still an
9 intervenor.

10 COMMISSIONER PERNELL: Oh, the school
11 district, okay. Thank you.

12 HEARING OFFICER GEFTER: Right. The
13 City of Antioch is still an intervenor. Their
14 school district has withdrawn as an intervenor.

15 MS. SHAPIRO: But they're not on the
16 phone?

17 HEARING OFFICER GEFTER: The City of
18 Antioch is not on the phone at this point.

19 Are there any other questions from
20 anyone else on the phone? Okay.

21 The notice of today's hearing requested
22 the parties to submit their proposed list of
23 exhibits along with copies of the exhibits for the
24 Committee. The applicant provided an exhibit list
25 and submitted its copies of exhibits to the

1 Committee. I think the applicant was intending to
2 bring their exhibit list to distribute to the
3 other parties, as well as copies of your exhibits?

4 MR. HARRIS: Actually the exhibit list
5 was filed and served with the testimony, so they
6 have a copy of the exhibit list currently.

7 HEARING OFFICER GEFTER: Okay. Does --

8 MR. HARRIS: Sorry. And we also have
9 copies of the exhibits available here, and I guess
10 we'll bring those, as well, to Pittsburg, to the
11 next hearing.

12 HEARING OFFICER GEFTER: Right. So if
13 anyone who's on the phone needs copies of the
14 exhibits that are listed on the list, which are
15 basically documents that have already been filed
16 and served on the parties, the applicant will
17 bring those documents to Pittsburg at the next
18 hearing, which is October 13th.

19 Do the parties on the phone have a copy
20 of the applicant's exhibit list? Paulette?

21 MS. LAGANA: I don't think so.

22 HEARING OFFICER GEFTER: Okay. CURE?

23 MS. POOLE: Yes.

24 HEARING OFFICER GEFTER: You have it,
25 okay. It was submitted with your testimony, is

1 that correct?

2 MR. HARRIS: Yes, I think it's the first
3 few pages of the testimony.

4 HEARING OFFICER GEFTER: All right. If
5 you look at that, Paulette, hopefully you'll find
6 the exhibit list.

7 The Committee has begun a formal exhibit
8 list in which the exhibits identified by the
9 applicant are numbered exhibits 1 through 20. And
10 the staff's exhibits, which they are proposing,
11 include the final staff assessment and the
12 testimony from the California Independent System
13 Operator. As we --

14 MR. RATLIFF: Ms. Gefter, I think there
15 will be a third exhibit and that will be a letter
16 from the California ISO to Douglas Buchanan, dated
17 May 17, 1999. And those are the ISO comments on
18 PG&E's -- I'm afraid to do the acronym -- DECDFS,
19 is what it's called. I assume that's the
20 interconnection study.

21 HEARING OFFICER GEFTER: Okay, has that
22 already been docketed and served on the parties?

23 MR. HARRIS: I think that's exhibit 11
24 on your list.

25 HEARING OFFICER GEFTER: Is that

1 correct?

2 MR. RATLIFF: That's on your exhibit
3 list? Okay, good.

4 HEARING OFFICER GEFTER: Okay, filed
5 June 2, 1999, is that the date of the filing that
6 you are referring to?

7 MR. RATLIFF: Well, let's see. This is
8 dated May 17 on our copy. You have June 2nd on
9 yours?

10 MR. HARRIS: June 2nd I think is the
11 file date, Dick.

12 MR. RATLIFF: Okay.

13 HEARING OFFICER GEFTER: Perhaps the
14 applicant and staff will get together and decide
15 which document we're talking about. And if it
16 turns out to be the document identified as exhibit
17 11, then we won't need an additional copy.

18 MR. RATLIFF: It's probably the same
19 document. They used the file date and we've used
20 the date on the letter.

21 HEARING OFFICER GEFTER: Okay.

22 MR. RATLIFF: But if they've already
23 docketed -- they're already making it an exhibit,
24 there's really no need for us to do so.

25 HEARING OFFICER GEFTER: Okay. Does any

1 other party wish to submit an exhibit list at this
2 time? CURE?

3 MS. POOLE: We only intend to submit one
4 exhibit, and that's the testimony of Mike
5 Yarbrough.

6 HEARING OFFICER GEFTER: Okay. And that
7 would be during the socioeconomics portion of the
8 hearing?

9 MS. POOLE: Correct.

10 HEARING OFFICER GEFTER: Does CAP-IT
11 have any exhibits that you wish to identify at
12 this time?

13 MS. LAGANA: No, I don't.

14 HEARING OFFICER GEFTER: Okay. Does any
15 party wish to make a change in the list of
16 witnesses for the topics today?

17 MR. HARRIS: No, Susan, thanks.

18 HEARING OFFICER GEFTER: Okay. Staff?

19 MR. RATLIFF: No.

20 HEARING OFFICER GEFTER: All right.
21 What we're going to do is now go forward with
22 applicant's opening statement, in which you will
23 have the opportunity to identify your exhibits for
24 the record, and also indicate to us any other
25 procedural matters that you wish to draw our

1 attention to.

2 And then after you make your opening
3 statement we would hear the evidence on the topic
4 of project description which is the first topic
5 that we have scheduled for today.

6 Mr. Harris, would you like to present
7 your opening statement?

8 MR. HARRIS: Sure, would you like me to
9 start with the procedural issues, Susan? We have
10 submitted our list of exhibits. It's actually the
11 first two pages following the testimony that was
12 filed and served. My understanding is that the
13 list the Commission has produced today includes
14 everything on that list, although we'll sit here
15 and cross-check and make sure they're all there.
16 But from the initial look, it looks like it's
17 fine.

18 So we will have I think three additional
19 exhibits that we'll want to offer in with Mr.
20 Buchanan's testimony. They were filed and served
21 I think last week. They are also the subject of
22 the blow-ups that you see to my left and to your
23 right up front here. And, again, those were filed
24 and served on all the parties to this proceeding.
25 And we'll ask that those be moved into evidence --

1 or excuse me, be marked into evidence, and then
2 moved into evidence during Mr. Buchanan's
3 presentation. So I think that does it for us on
4 exhibits for now, Susan.

5 HEARING OFFICER GEFTER: Okay. What I
6 understand then is that the applicant has a list
7 of 20 exhibits that appear at the beginning of
8 your testimony, and we have taken that list and
9 identified those exhibits as exhibits 1 through
10 20.

11 (The above-referenced documents
12 were marked Applicant exhibits 1
13 through 20 for identification.)

14 HEARING OFFICER GEFTER: I don't know
15 whether we need to go over each exhibit and
16 identify it for the parties if everyone has a copy
17 of the exhibit list.

18 CURE, you have a copy of the exhibit
19 list, is that correct?

20 MS. POOLE: That's correct.

21 HEARING OFFICER GEFTER: And, Paulette,
22 have you been able to find your exhibit list?

23 MS. LAGANA: No, but I'm okay with that.

24 HEARING OFFICER GEFTER: All right.
25 Thank you. Okay, Mr. Harris, you may proceed.

1 MR. HARRIS: How would you like to
2 proceed? Do you want me to read these into the
3 record or can we move forward?

4 HEARING OFFICER GEFTER: I think we'll
5 move forward. We have our list and everyone seems
6 to have a copy.

7 MR. HARRIS: Great, thank you. A couple
8 other housekeeping issues.

9 HEARING OFFICER GEFTER: We will also
10 include the list in the official transcript of the
11 proceeding, and so that anyone reading the
12 transcript can then find the list bound into the
13 transcript for today's proceeding.

14 MR. HARRIS: Thank you. A couple other
15 housekeeping issues. We have in our possession --
16 I have that effect on people -- data requests from
17 I think Mr. Hawkins and per the Committee order
18 will be responding to those by October 15th.

19 We've reviewed those data requests and
20 are confident that the information sought is
21 already in the administrative record, and to that
22 extent the request is redundant, and in some
23 extent, burdensome. But, nevertheless we will
24 respond to those data requests in the spirit of
25 accommodation.

1 We want to make sure that we go through
2 and essentially provide Mr. Hawkins with an index
3 to the administrative record of the issues that he
4 has raised, because all that information is
5 currently before the Commission. So we'll be
6 responding to those data requests by the 15th as
7 ordered by the Committee.

8 We will also be responding to Mr.
9 Hawkins' request to disqualify our public health
10 witness. We have drafted a petition on that. I
11 anticipate filing that petition asking that that
12 request be denied, that the witness not be
13 disqualified. Expect to file that Wednesday or
14 Thursday of this week. Going through some final
15 drafting on that.

16 We'll be responding as well to some of
17 the issues raised by Mr. Boyd regarding a couple
18 of unrelated matters, separate adjudicatory
19 matters. The Sutter case appeal, the lawsuit
20 pending, and the Joan Wood appeal on the PSD
21 permit for Sutter.

22 Again, these are both separate
23 adjudicatory proceedings outside the scope of this
24 proceeding. They have been raised several times,
25 and so we will be responding with a response that

1 essentially raises those issues and says that the
2 fact-specific issues in those adjudications are
3 not relevant to this proceeding. I also expect
4 that that filing will happen this week, as well,
5 Wednesday or Thursday.

6 We've already covered the exhibits. And
7 I want to thank the Committee for putting together
8 that list. I think that will go fine, so.

9 Just a few more opening remarks and then
10 we're ready to proceed to project description. I
11 want to compliment the staff on the FSA. It's
12 probably the best document I've seen out of the
13 Commission. I know the Commission often looks to
14 create models for other cases.

15 I think this is a very strong model.
16 It's a thorough document. It's easy to follow,
17 it's put together very well. And it's going to
18 make this proceeding proceed very quickly, I
19 think. The issues are laid out very clearly.
20 Mitigation is discussed and the whole question of
21 impacts is dealt with very summarily and very
22 quickly. So, my compliments to the staff.

23 We only had one issue of discussion
24 really during the entire workshop period, and that
25 related to visual. And visual is not up today so

1 I won't spend a lot of time on that. But even
2 that issue's been resolved. Staff and the
3 applicant have reached an agreement whereby the
4 proposed mitigation would mitigate, reduce impacts
5 to less than significant.

6 That's described in the visual
7 testimony, but I raise it here only to emphasize
8 the point that the issues before you are really
9 nonissues. We've dealt with most of these things.
10 It's important that we get the information into
11 the record and that folks have the opportunity to
12 cross-examine our witnesses and bring everything
13 out to light in the official record here.

14 But please understand, based on that
15 FSA, that the significant and substantive issues
16 here have been dealt with in a way that I think is
17 both laudable and more than complies with the
18 requirements of CEQA.

19 So, I think with that I'll close, and
20 thank you for the opportunity to make opening
21 remarks.

22 HEARING OFFICER GEFTER: I understand
23 from the Public Adviser that a representative from
24 the City of Pittsburgh is present. Would you
25 please come forward to a microphone and identify

1 yourself for the record.

2 MR GANGAPURAM: Avan Gangapuram, City of
3 Pittsburg.

4 HEARING OFFICER GEFTER: Okay, do you
5 have a business card to give to the reporter, so
6 she can spell your name.

7 I also wanted to introduce Major
8 Williams, who is sitting up here on the dias with
9 us. Mr. Williams has joined the Commission as a
10 new hearing officer, and he is in training today
11 and sitting up on the dias with us.

12 MR. WILLIAMS: Good morning.

13 HEARING OFFICER GEFTER: I think if the
14 applicant is ready now to proceed, let's go
15 forward with the topic of project description.

16 MR. HARRIS: Okay, I think we are ready
17 to proceed.

18 HEARING OFFICER GEFTER: Okay, the
19 witness will be sitting up here on the dias and
20 will be sworn by the court reporter.

21 MR. HARRIS: Will the witness be allowed
22 to stand at the podium, if they prefer?

23 HEARING OFFICER GEFTER: Let's go off
24 the record.

25 (Off the record.)

1 HEARING OFFICER GEFTER: Okay, would the
2 reporter please swear the first witness after
3 you've identified the witness for us.

4 MR. HARRIS: The witness will be Doug
5 Buchanan.
6 Whereupon,

7 DOUGLAS W. BUCHANAN
8 was called as a witness herein and after first
9 being duly sworn, was examined and testified as
10 follows:

11 DIRECT EXAMINATION

12 BY MR. HARRIS:

13 Q Good morning. Would you state your name
14 for the record, please?

15 A Douglas Buchanan.

16 Q And, Mr. Buchanan, what subject matter
17 are you about to testify about?

18 A I'll be sponsoring the project
19 description section this morning.

20 Q Thank you. And specifically, which
21 documents are being sponsored as a part of your
22 testimony?

23 A Specifically I'll be sponsoring sections
24 1 and 2 of the AFC, section 7 later, AFC's
25 appendix 1, and also filed was an amendment to

1 modify the gas pipeline interconnection point.

2 Q And we will also have three exhibits
3 that will be part of your testimony, and if you
4 like I can identify those for the record, as well.

5 MR. HARRIS: We'll be using figure 1-1,
6 which is a document that shows an overview of the
7 project site. And, again, this was filed and
8 served on September 28th by the applicant.

9 BY MR. HARRIS:

10 Q So, will that be part of your testimony?

11 A It will, yes.

12 Q And in addition figure 1.1-2, the Delta
13 Energy Center AFC site arrangement was filed and
14 served again on the 28th of this year. Will that
15 be part of your testimony, as well?

16 A It will.

17 Q Finally, figure 2.1-1A, Delta Energy
18 Center DEC site and linear facilities, again was
19 filed and served on the 28th. Will that be part
20 of your testimony?

21 A It will.

22 Q Thank you.

23 MR. HARRIS: If it's appropriate at this
24 time, Ms. Gefter, I would move those documents
25 into evidence.

1 HEARING OFFICER GEFTER: Okay, well,
2 let's identify them as exhibit -- at this point it
3 will be exhibit 22 on our list.

4 MR. HARRIS: You want all three of those
5 together as a single exhibit?

6 HEARING OFFICER GEFTER: We can do that
7 because you have them identified as figure 1-1 and
8 figure 1.1-2, and the third one is actually what,
9 figure 2.1-1A?

10 MR. HARRIS: Right. Three documents
11 involved, served on the 28th.

12 HEARING OFFICER GEFTER: Okay. That
13 would be collectively exhibit 22.

14 (The above-referenced document was
15 marked Applicant exhibit 22 for
16 identification.)

17 MR. HARRIS: Okay, I'd like to move
18 those into evidence. I'd also like to move into
19 evidence the three documents referenced in the
20 testimony Mr. Buchanan described if that's
21 appropriate at this time.

22 HEARING OFFICER GEFTER: Let's do that
23 after he concludes his testimony based on those
24 documents.

25 MR. HARRIS: Okay, fine.

1 BY MR. HARRIS:

2 Q Now, Mr. Buchanan, were these documents
3 either prepared by you or at your direction?

4 A Yes, they were.

5 Q And based upon your review of the
6 testimony are all the facts there true to the best
7 of your knowledge?

8 A They are true to the best of my
9 knowledge.

10 Q Do you have any changes or corrections
11 to your testimony at this time?

12 A No changes at this time.

13 Q Do you adopt this as your testimony for
14 this proceeding?

15 A I adopt this testimony for this
16 proceeding.

17 Q At this point I think I'd like to ask
18 you to provide a brief summary of the project
19 overview.

20 A Thank you. I'd like to begin the
21 project description portion of my testimony by
22 giving some background for the Committee Members
23 that did not have the opportunity to attend the
24 informational hearing earlier this year. I think
25 it to be both important and germane to the case

1 you're hearing today.

2 HEARING OFFICER GEFTER: I want to
3 interrupt the testimony because I think that our
4 exhibit list is already getting confused. We need
5 to be very careful.

6 The applicant originally submitted 20
7 exhibits. And so I think that what we would do is
8 we would have the items that we just identified as
9 exhibit 22, let us call those exhibit 21. I think
10 that makes more sense. And if you have other
11 exhibits that you're going to identify today we'll
12 add those.

13 (The above-referenced documents
14 were remarked Applicant exhibit 21
15 for identification.)

16 HEARING OFFICER GEFTER: Did someone
17 just come on the phone? No.

18 MR. HARRIS: Ms. Gefter, your list
19 doesn't include the ammonia tank letter that we
20 had talked about, number 14. So if we can add --

21 HEARING OFFICER GEFTER: Right, that
22 would be exhibit 14.

23 MR. HARRIS: So then would you renumber
24 from 14, or would you just like --

25 HEARING OFFICER GEFTER: Yes.

1 MR. HARRIS: Okay.

2 MR. RATLIFF: If we do that on the list
3 that we're operating off of, everything has to
4 change on it, I think.

5 HEARING OFFICER GEFTER: Yes, correct.

6 MR. RATLIFF: Well, I hate to make it
7 even worse than it already is. I don't know what
8 the numbers on the exhibits are then, I guess,
9 beginning with 14.

10 HEARING OFFICER GEFTER: Okay, why don't
11 we go off the record to get our exhibit list
12 straightened out here.

13 (Off the record.)

14 HEARING OFFICER GEFTER: The maps that
15 we identified as exhibit 22 that were submitted on
16 September 22nd, will remain exhibit 22. And a
17 letter regarding ammonia tank from the applicant
18 to, I believe, staff, will be exhibit 23.

19 MR. HARRIS: This isn't -- actually the
20 maps were served on the 28th, not the 22nd.

21 HEARING OFFICER GEFTER: 28th?

22 MR. HARRIS: Yeah.

23 HEARING OFFICER GEFTER: You had
24 indicated the 22nd -- oh, I'm sorry -- the 28th.

25 MR. HARRIS: Other than that, --

1 HEARING OFFICER GEFTER: Okay, let's go
2 forward now with your testimony.

3 (The above-referenced document was
4 marked Applicant exhibit 22 for
5 identification.)

6 MR. HARRIS: Thank you, Susan.

7 THE WITNESS: Again, for the record, my
8 name is Douglas Buchanan, I'm the Development
9 Manager for Delta. I'm sponsoring the project
10 description testimony.

11 To re-start my remarks, for the Members
12 of the Committee that did not have the opportunity
13 to attend the informational hearing early this
14 year, I think it's important that as part of this
15 project description that you have a little bit of
16 an understanding of who we are, and perhaps who I
17 am.

18 The Delta Energy Center Project to be
19 located in Pittsburg, California, is a joint
20 development of Calpine Corporation of San Jose and
21 Bechtel Enterprises of San Francisco.

22 Calpine is an independent power producer
23 with over 2000 megawatts of high efficiency gas
24 and geothermal electric production. Calpine is
25 one of the largest -- I think is the largest

1 geothermal producer in California.

2 Bechtel Enterprises is the development
3 and finance company within the Bechtel group of
4 companies. And you would recognize Bechtel as a
5 worldwide engineer constructor. Bechtel has
6 constructed many many thousands of megawatts of
7 generation throughout the world. And the large
8 balance of my experience has been with Bechtel in
9 the development of power generation facilities.

10 I think it's important, I think perhaps
11 even unusual in this case, and that's my role and
12 background as the development manager for this
13 project. My family has a very long and proud
14 history in California, and in Pittsburg
15 specifically. My family settled in what was then
16 New York Landing in 1850 on what at that time was
17 a Spanish land grant. And, again, have a very
18 long history in Pittsburg with family both
19 involved in ranching and commerce. Something I'm
20 very proud of is that my grandfather and great-
21 grandfather were on the county board of
22 supervisors for over 52 years in Contra Costa
23 County. So there's very much a local perspective
24 to this, and with that I also say a local
25 obligation and responsibility.

1 I grew up in Pittsburg and graduated
2 from Pittsburg High School before I went on to
3 college and received a degree in mechanical
4 engineering and am a professional registered
5 mechanical engineer in California.

6 HEARING OFFICER GEFTER: Okay, excuse
7 me, Mr. Buchanan. I think that if you were going
8 to focus on project description perhaps we should
9 move on to that.

10 THE WITNESS: I'm prepared to move on to
11 that now. I think, again, for the record that it
12 is germane and important, given some of the
13 challenges that this case has had previous, that
14 all parties understand and recognize that there is
15 very much a local responsibility and local
16 obligation here.

17 I'd like to proceed with the project
18 description.

19 HEARING OFFICER GEFTER: Thank you.

20 THE WITNESS: I'd like to call on the
21 first exhibit here, and for those on the phone
22 this is an aerial photograph of the Pittsburg/
23 Antioch area, approximately four miles square,
24 showing the location of the Delta Energy Center
25 Project.

1 For purposes of -- actually, could you
2 bring it up a little, Jerry, so that the Committee
3 Members can see here. Actually, I'll need to
4 point at it, so if you could just twist it a
5 little bit. There we go, great.

6 The Delta Energy Center Project is shown
7 here in the center with this red square. The
8 photograph is oriented north/south for those on
9 the phone. For perspective to the direct east of
10 the project site is the Delta Diablo Sewage
11 Treatment Facility. Directly to the north is the
12 Dow Chemical Complex. To the north and west is
13 the USSPOSCO Complex, formerly USSteel. And to
14 the due west and to the south is a collection of
15 light to medium industrial and commercial.

16 Delta Energy Center is located on land
17 zoned for general industrial development. And can
18 see here for perspective, this is the San Joaquin
19 River and this is Highway 4 here.

20 The key, for purposes of the AFC filing,
21 we had two key observation points. There was a
22 residential motel here and Hazel's Place, which is
23 a restaurant with a residence behind it here.
24 Both located approximately a half mile. This is,
25 I believe, just about a mile to the east.

1 Any questions on the location of the
2 project?

3 MR. HARRIS: Just for clarification this
4 is figure 1.1-1.

5 THE WITNESS: I'd like to now go to the
6 basic configuration of the facility. And if I
7 could have the figure number, that is -- for the
8 record that's 1.1-2.

9 HEARING OFFICER GEFTER: And the numbers
10 you're referring to come from the AFC, is that
11 correct?

12 THE WITNESS: That is correct. This is
13 site arrangement from the AFC figure 1.1-2.

14 What we see here is an enlargement of
15 that figure. The project has some interesting
16 features and basically go through the key features
17 of the project, and then some of the more
18 interesting ones.

19 The Delta Energy Project is configured
20 as a three-by-three-by-one combined cycle
21 cogeneration facility. By that we mean there are
22 what we call three trains comprised of a
23 combustion turbine. These are Westinghouse 501F
24 machines, effectively state of the art in terms of
25 combustion turbine technology.

1 Each of these machines has a generator
2 attached to it. The combustion turbine exhausts
3 into a heat recovery steam generator. Again, to
4 capture the heat energy from the exhaust of the
5 combustion turbine.

6 These three trains, each of which again
7 produces electricity, the steam generated from the
8 HRSTs, the heat recovery generators, then supply a
9 third generator driven by a condensing steam
10 turbine, which is what describes and comprises the
11 combined cycle nature of this, the direct
12 generation to the CTs, and then the steam cycle
13 producing power through a condensing steam
14 turbine.

15 The nominal output of the plant is
16 approximately 880 megawatts with the three
17 generators operating.

18 There are three exhaust stacks. They
19 are 144 feet in height.

20 HEARING OFFICER GEFTER: Excuse me --
21 what do we have on the telephone here? It sounds
22 like a commercial. Off the record.

23 (Off the record.)

24 THE WITNESS: The condensing steam
25 turbine exhausts into a condenser that is then

1 cooled via a twin cell cooling tower arrangement
2 as shown in the upper right-hand corner.

3 The cooling tower, we went to a tandem
4 cell configuration to attempt to minimize the
5 visual profile of the cooling tower and minimize
6 its footprint. So the intent here was to reduce
7 the visual impact and profile the cooling tower
8 and its footprint size.

9 We'll get back --

10 HEARING OFFICER GEFTER: Is that the
11 most northern part of the site?

12 THE WITNESS: That is correct. For the
13 folks on the telephone, we're again looking at
14 figure 1.1-2, at the northeastern corner of that
15 diagram, which is -- it is oriented north/south.
16 Upper right-hand corner.

17 We'll talk about the cooling tower when
18 I refer to linears in a moment. Other features on
19 the site, general water treatment types of
20 facilities, administration, this is the ammonia
21 storage facility that we have relocated further
22 west so as to further -- I'm sorry -- further east
23 so as to minimize some of the potential
24 environmental impacts that that might impose.

25 To the right, the border on the eastern

1 side of the facility here, as I mentioned before,
2 is the Delta Diablo Sanitation District. To the
3 north is the railroad and Dow Chemical. To the
4 south is future Dow, is Dow property. And to the
5 west side of the property is Dow West Slough.

6 This, again showing the switchyard here,
7 230 kV buss configuration in the switchyard. If
8 there are no questions on this diagram, I'll move
9 forward.

10 MR. HARRIS: Just one point of
11 clarification. The figure is actually not the
12 exact same figure that was in the AFC. It has
13 been modified to show the new location of the
14 ammonia tank pursuant to our request from staff in
15 our discussions with staff on mitigation. So,
16 this figure, this is one that folks on the phone
17 often refer to as the site plan as modified.

18 HEARING OFFICER GEFTER: Okay, and this
19 would be located in exhibit 22, the updated
20 version of this site?

21 MR. HARRIS: Correct.

22 HEARING OFFICER GEFTER: Thank you.

23 THE WITNESS: The next figure being
24 placed for view is figure 2.1-1A. Again, 2.1-1A
25 from the AFC, and this is DEC site and linear

1 facilities.

2 The two prominent features on the linear
3 facilities diagram of the electric transmission
4 and gas pipeline, it will also speak to some of
5 the water facilities in addition to that.

6 As we saw from the aerial photograph
7 this is a map of the area of roughly -- actually
8 it's a larger scale. This appears to be about
9 five miles on the base here. This is the City of
10 Pittsburg. This is the City of Antioch. Again,
11 New York Slough and the San Joaquin River. And I
12 think that's Buchanan Road right there.

13 This is the Delta site. Looking at the
14 Delta site, traveling to the north and west is the
15 electric transmission line. And I'll follow it
16 here briefly with the pen, and then we'll go back
17 and discuss it a little bit further.

18 The Delta Energy Center will
19 interconnect with the California ISO-controlled
20 grid at the former, actually the Pittsburg --
21 former Pittsburg Power Plant switchyard, which is
22 managed by PG&E. And as you recall through the
23 investiture process the actual former PG&E power
24 plant is now owned by Southern Company.

25 Again, DEC will interconnect at 230 kV

1 into that PG&E switchyard to the east of -- I'm
2 sorry, to the west of Pittsburgh.

3 There are two interesting features with
4 the electric transmission line. The first, which
5 you can see here, the solid line, is a 230 kV
6 overhead line that single-pole construction is
7 described in the AFC, through approximately, about
8 one-half the distance.

9 This route follows the Burlington
10 Northern Railroad through USSPOSCO property in
11 front of the POSCO mill complex. At a point near
12 the SEMCO facility, which is again inside the
13 POSCO complex, there is a transition station. And
14 here's where we transition from an overhead line
15 to underground.

16 And we basically came out of the gate
17 with our AFC saying that really there wasn't an
18 overhead through Pittsburgh, or for that matter,
19 even around, we didn't think was going to happen,
20 and shouldn't happen. So we proposed an
21 underground route through Pittsburgh. It follows
22 an abandoned Sacramento Northern Railroad right-
23 of-way, right through town here. It's between 50
24 and 100 feet wide in various places.

25 And as part of our proposal to go

1 underground through what we call the 8th Street
2 Corridor, we had also proposed in our AFC with the
3 City of Pittsburgh as part of our beneficiation of
4 that area would be to create a linear greenbelt.
5 And apparently the City like this idea, and
6 apparently also the ENRON and PDEF Project liked
7 this idea, too. And they adopted it.

8 The conductors are buried over six foot
9 in four pipes, and should be an excellent and
10 compatible use of this corridor. It's currently
11 abandoned, gravel kinds of things. So that's the
12 electric side in connecting to Pittsburgh.

13 The gas pipeline side had some very
14 interesting features, also. The gas pipeline that
15 will serve Delta, a nominal 20-inch pipe, will
16 interconnect the site to a point near the Antioch
17 Gas Terminal. In fact, you can see the Antioch
18 Gas Terminal here.

19 The Antioch Gas Terminal is a
20 significant place because there are --

21 COMMISSIONER PERNELL: Excuse me. This
22 is Commissioner Pernell. On your overhead line,
23 is that industrial area that it's running over, or
24 is that a community, or -- yeah, right there.
25 What is -- what would be under that line?

1 THE WITNESS: Railroad tracks and
2 USSPOSCO industrial property.

3 Just for further edification here I'll
4 draw a square here. This is the POSCO property
5 here, so it's basically not quite, but just about
6 bisects the POSCO industrial site.

7 Further, to answer your question
8 directly, there are no residences at or near the
9 overhead line. And, in fact, we intentionally
10 elected to transition here before getting near the
11 Central Addition neighborhood.

12 COMMISSIONER PERNELL: Thank you.

13 THE WITNESS: On the gas pipeline the
14 features here, Antioch Terminal, we're
15 interconnecting to line 400 near the Antioch
16 Terminal. This is an important place. It is a
17 hub for gas transmission in this part of northern
18 California. Several large trunklines come in
19 here, along with other small ones in the PG&E
20 center here.

21 We'll be connecting to line 400 in
22 generally this area here off of Wilbur Avenue near
23 the Contra Costa Power Plant. Line 400 is
24 considered a backbone line for PG&E.

25 The construction methods along the route

1 are very much worth noting. You'll notice a
2 series of dashed lines through here. As we exit
3 the Delta Center, and I'll do this from the site
4 to the interconnect point, which I believe -- is
5 that opposite to the way we have it in the AFC --

6 HEARING OFFICER GEFTER: Mr. Buchanan,
7 the map that you're showing us today, again
8 exhibit 22, this is the amended version where the
9 interconnect is with line 400, is that correct?

10 THE WITNESS: That is correct.

11 HEARING OFFICER GEFTER: In the AFC you
12 have a different location for the interconnect
13 with the gas line?

14 THE WITNESS: Yes. For clarification
15 and purposes of the record, the AFC had us
16 interconnecting at the Antioch terminal. There
17 was an amendment filed, do we have an exhibit
18 number?

19 MR. HARRIS: The exhibit that we're
20 working off of here that was filed on the 28th has
21 a designation of A at the end, and that A is meant
22 to indicate that this is as amended from the AFC
23 version.

24 So in the AFC you'll find a very similar
25 figure with this number. The A number here

1 indicates that this is the existing routing.

2 MS. SHAPIRO: The amended routing? This
3 is the amended routing?

4 MR. HARRIS: Correct, the amended route.

5 THE WITNESS: Correct. Through
6 discussion with PG&E there was a consensus that it
7 would be more advantageous to interconnect
8 directly to line 400. This also shortens the line
9 and places the interconnect point on PG&E property
10 near Wilbur Avenue.

11 The features with the construction of
12 the line I think that are worth noting for the
13 record, again I'm electing to travel from the
14 plant site out to line 400. I'll be traveling
15 west to east.

16 The first segment here of the gas
17 pipeline will be passing through the Dow wetlands
18 area. And this is a wetlands preserve that has
19 been created by Dow, and apparently has turned
20 into just a model wetlands project.

21 The route would follow the railroad,
22 this is the Burlington Northern Railroad, the
23 entire distance. But it became clear that in
24 order to avoid environmental disturbance and
25 impact to the Dow Wetlands, we elected to do a

1 construction technique called horizontal
2 directional drilling, HDD.

3 And for the engineers in the crowd this
4 is fancy stuff. It is a technique where a drill
5 rig placed here literally sends the pipe down in a
6 sweeping arc underground, almost like a bow type
7 of arrangement, going underneath the wetlands and
8 river areas. At its deepest point in the wetlands
9 here I believe the pipe is about 100 feet
10 underground. So it arcs down underground and then
11 arcs back up, and then exits at an area near the
12 Antioch Marina, completely avoiding the Dow
13 Wetlands area. It's pretty slick stuff.

14 HEARING OFFICER GEFTER: Excuse me,
15 we're going to go off the record.

16 (Off the record.)

17 THE WITNESS: In concluding on the gas
18 pipeline summary, horizontal direction drilling
19 underneath the Dow Wetlands Preserve area.
20 Continue to the east from an area near the Antioch
21 Marina. Conventional trenching within the
22 railroad right-of-way.

23 Again, just near the Antioch Marina we
24 once again employ horizontal directional drilling,
25 basically all the way past the City of Antioch

1 waterfront. And by again employing horizontal
2 directional drilling in this area where the pipe
3 will be somewhere between 100 to 110 feet
4 underground in this area, we avoid coastal
5 brackish marsh areas, we avoid unstable railroad
6 bed, we avoid other infrastructure that is upon
7 the City of Antioch's waterfront here.

8 Then exiting to a point just to the east
9 of McElheny Road where we then continue along the
10 railroad right-of-way using conventional trenching
11 along the railroad.

12 This area here is all, with a small
13 exception here, is all industrial. But again the
14 route does follow the railroad right-of-way and
15 then interconnects with line 400.

16 We think this is very unique and very
17 exciting feature of this project to employ this
18 technology to avoid those environmentally
19 sensitive areas.

20 Any questions on the gas pipeline?

21 HEARING OFFICER GEFTER: Yes.

22 COMMISSIONER PERNELL: Commissioner
23 Pernell. Is the length of the line still 5.2
24 miles since you changed the -- there was an
25 amendment to the line?

1 THE WITNESS: It's approximately 700
2 feet shorter than what, given our new interconnect
3 point, than that which was shown in the AFC.

4 COMMISSIONER PERNELL: Thank you.

5 THE WITNESS: 5.1-something.

6 MR. HARRIS: I think from 5.3 to 5.2,
7 translates. Close enough.

8 THE WITNESS: If there are no additional
9 questions? Yes.

10 HEARING OFFICER GEFTER: I have a
11 question, Mr. Buchanan. Regarding the HDD
12 process, has this been proven to be a successful
13 process in the past?

14 THE WITNESS: Yes, it's largely becoming
15 the technology of choice for environmentally
16 sensitive areas and river-crossings and whatnot.
17 As an example, our adviser on this particular
18 construction is Bechtel Pipeline Corporation.

19 Bechtel Pipeline, just for edification,
20 if you look at the drawing here, the map, Bechtel
21 Pipeline put a 48-inch, in fact built line 400
22 under the river using horizontal directional
23 drilling techniques. It's 48-inch line, and we're
24 talking a nominal 20 here.

25 So it's an accepted technology. It's a

1 proven technology. And the various state agencies
2 seem to have embraced it as that with the least
3 environmental impact. It's a good thing.

4 With no further comments on the gas
5 pipeline, I'd like to talk very briefly about the
6 water supply to Delta Diablo, and that will
7 conclude my remarks.

8 The water supply to Delta Diablo -- I'm
9 sorry, to Delta Energy is coming from the
10 secondary effluent of the Delta Diablo Sanitation
11 District Sewage Plant. This is effluent that's
12 currently being discharged into New York Slough.

13 We have reached an agreement with Delta
14 Diablo where we will take the secondary effluent
15 and treat the secondary effluent to State Title 22
16 standards for use in cooling tower applications.
17 This is a standard that allows for human contact
18 of the water. So it is safe for operator and
19 other contact.

20 The Delta Diablo secondary effluent,
21 which will be treated again to Title 22 standards,
22 will be used exclusively for cooling tower makeup
23 purposes. This is a beneficial use of this water
24 and is consistent with both the state and local
25 sanitation district's objectives of finding

1 beneficial uses for secondary effluent from sewage
2 plants.

3 HEARING OFFICER GEFTER: Question
4 regarding use of secondary effluent. You
5 indicated that the project will treat the effluent
6 to Title 22 standards. Do you have a processing
7 plant on site to treat the effluent? Or how will
8 that occur?

9 THE WITNESS: Yes, we are currently
10 concluding preliminary design of the facility.
11 And the facility basically comprises two trains of
12 treatment with clarification, flocculation,
13 chlorination, all the "ations" are there, to treat
14 the water for the use in the cooling tower.

15 HEARING OFFICER GEFTER: So the effluent
16 will come from the Delta Diablo Sanitation
17 District directly to the DEC site for treatment,
18 rather --

19 THE WITNESS: Yes, they are contiguous
20 sites, so there will be an interconnection
21 pipeline of several hundred feet, I think, 200
22 feet approximately, within their site to match up
23 with Delta.

24 HEARING OFFICER GEFTER: And the DEC
25 site then will receive this water prior to its

1 tertiary treatment by the Delta Diablo Sanitation
2 District?

3 THE WITNESS: That's correct.

4 HEARING OFFICER GEFTER: Okay.

5 THE WITNESS: That's correct. The
6 wastewater from the cooling tower then is
7 discharged back to Delta Diablo under an
8 industrial wastewater discharge permit.

9 I have no further comments on the
10 project description.

11 HEARING OFFICER GEFTER: Do you have any
12 other witnesses.

13 MR. HARRIS: Actually, a few more
14 questions for the witness, if he could.

15 BY MR. HARRIS:

16 Q Mr. Buchanan, there are no conditions of
17 certification obviously associated with the
18 project description, but have you read the project
19 description and the introduction and the executive
20 summary of the FSA?

21 A Yes, I have.

22 Q And do you agree with the
23 characterizations set forth in those portions of
24 the FSA?

25 A Yes, I do.

1 MR. HARRIS: Great. All I'd like to do
2 now, Susan, is just move our documents into
3 evidence at this point now that the foundation has
4 been laid. So I would move into evidence -- as
5 Mr. Buchanan indicated at the beginning of his
6 presentation, sections 1, 2 and 7 of the AFC,
7 those are subportions of exhibit 2. Do you want
8 to take these individually, or should I give you
9 the entire list?

10 HEARING OFFICER GEFTER: Give me the
11 list.

12 MR. HARRIS: Okay, thanks.

13 The AFC, appendix 1. Again, that's a
14 subsection of exhibit 2 on our list. The
15 amendment to modify the gas pipeline
16 interconnection point filed May 7, 1999, exhibit 9
17 on our list. And then the three maps that were
18 filed on the 28th of September, exhibit 22 on our
19 list. And I'd move those into evidence.

20 HEARING OFFICER GEFTER: Okay, is there
21 any objection to having those identified exhibits
22 moved into evidence?

23 MR. RATLIFF: No objection.

24 HEARING OFFICER GEFTER: No objection
25 from staff. Any objection from CURE? Any

1 intervenors have any objections to moving these
2 documents into evidence?

3 Hearing none, the --

4 MS. LAGANA: None from CAP-IT.

5 HEARING OFFICER GEFTER: Thank you.

6 Hearing none, the exhibits are now received into
7 evidence.

8 (The above-referenced documents,
9 Applicant exhibits 2, 9 and 22 were
10 received in evidence.)

11 MR. HARRIS: Make Mr. Buchanan available
12 for cross-examination at this point.

13 HEARING OFFICER GEFTER: Thank you.

14 Does staff have cross-examination of the witness?

15 MR. RATLIFF: No.

16 HEARING OFFICER GEFTER: CURE, do you
17 have cross-examination of the witness?

18 MS. POOLE: No questions.

19 HEARING OFFICER GEFTER: Okay. Any
20 representative from the City of Antioch on the
21 phone? The City of Pittsburg, do you have any
22 cross-examination? CAP-IT?

23 MS. LAGANA: I do have a question.

24 //

25 //

1 CROSS-EXAMINATION

2 BY MS. LAGANA:

3 Q Are you saying that the wastewater
4 discharge is going back to Delta Diablo not into
5 the Slough?

6 A That is correct.

7 Q Thank you.

8 HEARING OFFICER GEFTER: Community
9 Health First is not on the line. And Michael Boyd
10 from Californians for Renewable Energy, do you
11 have any questions of the witness? Michael Boyd?
12 Okay.

13 I had some questions of the witness from
14 the Committee point of view.

15 EXAMINATION

16 HEARING OFFICER GEFTER: There is an
17 existing small power plant on the site. It's now
18 called the Calpine Power Plant. And we'd like
19 information regarding the cogeneration
20 relationship between Dow Chemical and that power
21 plant, and whether that power plant will be
22 decommissioned after the Delta Energy Center is
23 completed.

24 THE WITNESS: On the Dow Complex exist
25 three small combustion turbines totaling about 70

1 megawatts in the aggregate. The whole gestation
2 of the Delta Energy Center Project was at the
3 initiation of Dow Chemical as part of a
4 competitive bid process to divest itself of those
5 three turbines and also secure its energy future
6 going forward.

7 The three turbines are currently run in
8 a baseload configuration, that is around the
9 clock, supplying both electricity and steam to Dow
10 Chemical and additional electricity to the
11 California ISO controlled grid.

12 As indicated in the AFC and in
13 particular where it shows up the most is in the
14 air modeling sections which we'll discuss on the
15 3rd, is that the existing three turbines will have
16 their operation reduced, and I believe the numbers
17 are somewhere in the neighborhood of 40 percent or
18 50 percent of their current operation.

19 It is not the intent to decommission the
20 units at this time. It is Calpine's intent to use
21 the units to meet summer peak loads. And our air
22 modeling and other operational characterizations
23 of the AFC reflect that.

24 HEARING OFFICER GEFTER: In other words
25 you're saying that these three turbines were

1 considered as part of the cumulative impacts
2 analysis for your air quality testimony?

3 THE WITNESS: Yes, they were.

4 HEARING OFFICER GEFTER: And how much
5 electricity is produced by these turbines, and
6 will you also sell some of that electricity to Dow
7 Chemical?

8 THE WITNESS: I didn't hear the first
9 part of the question, I'm sorry?

10 HEARING OFFICER GEFTER: How much
11 electricity is generated by the three turbines?

12 THE WITNESS: They have a peak output of
13 approximately 70 megawatts and are currently
14 running at about an 80 percent capacity factor.
15 As to exactly where the electrons will come from
16 for Dow, that's a tougher one. But it will be the
17 aggregate will come from the Calpine controlled
18 facilities.

19 HEARING OFFICER GEFTER: With respect to
20 the proposed Delta Energy Center, you also are
21 proposing to sell electricity to Dow. What is the
22 percentage, or how many megawatts will that be?

23 THE WITNESS: The Dow load, at a peak is
24 approximately 26 megawatts.

25 HEARING OFFICER GEFTER: So that would

1 be in addition to the megawatts that are sold from
2 the existing Calpine three-turbine project?

3 THE WITNESS: That would be part of
4 the --

5 HEARING OFFICER GEFTER: Okay.

6 THE WITNESS: -- that would not be in
7 addition to, that will be part of the total
8 generation, would be used to serve that 26
9 megawatt load.

10 HEARING OFFICER GEFTER: Regarding the
11 new transmission outlet line, from the proposed
12 project all the way to the PG&E switchyard, in the
13 AFC it indicates it's a 3.2-mile line, and the
14 final staff assessment indicates it's 3.3 miles.
15 Did the configuration change?

16 THE WITNESS: No. It's 3.3 miles --
17 from memory here, we did elect to move, as part of
18 the staff discussions, elect to move the
19 transition station further back to the east to
20 avoid an interference with PDEF. I believe the
21 total length of the line is 3.3, and there was an
22 easterly relocation of the transition station as
23 part of the workshops.

24 HEARING OFFICER GEFTER: The overhead
25 line, is that a -- well, actually is the entire

1 line, the overhead line and the underground line,
2 is that a double circuit 230 kV line?

3 THE WITNESS: That is correct, double
4 circuit on singular steel tubular poles.

5 HEARING OFFICER GEFTER: All right. And
6 also there's an on-site line between the proposed
7 project and Dow Chemical, and it's described as a
8 13.8 kV line. What does that mean?

9 THE WITNESS: 13.8 kV is the nominal
10 station power for Dow Chemical. Typical
11 industrial facility is when it takes power and off
12 the grid at 115 or 230, transforms that down to
13 13.8 for local distribution inside of an
14 industrial complex. 13.8 is their nominal station
15 voltage.

16 HEARING OFFICER GEFTER: Is that
17 designed on a 115 kV line, or is it a different
18 kind of line?

19 THE WITNESS: That's a good question. I
20 think that will end up being a wood pole line as
21 opposed to a lattice or steel structure. It's a
22 relatively small line.

23 HEARING OFFICER GEFTER: Okay. And
24 there's no undergrounding, then, on the site
25 between the project and Dow Chemical?

1 THE WITNESS: No.

2 HEARING OFFICER GEFTER: Okay. And
3 where the 230 kV outlet line is routed above
4 ground along the railroad right-of-way, that's in
5 the POSCO property?

6 THE WITNESS: It comprises actually four
7 properties, Dow Chemical property and rights-of-
8 way, a small industrial near Loveridge Road, the
9 West County Sanitation District property, and then
10 POSCO property.

11 HEARING OFFICER GEFTER: And along the
12 railroad right-of-way, is that north or south of
13 the railroad tracks?

14 THE WITNESS: It is immediately south of
15 the railroad tracks.

16 HEARING OFFICER GEFTER: South, all
17 right. And then exactly where is the transition
18 station when the line moves from above ground to
19 below ground, right before it enters A Street
20 corridor?

21 THE WITNESS: The transition station has
22 been located at a point approximately 1400 feet
23 east of Columbia Street, which is a north/south
24 street, connecting the Pittsburgh/Antioch Highway
25 and Santa Fe Avenue.

1 HEARING OFFICER GEFTER: Is that
2 transition station near residences?

3 THE WITNESS: No, it's quite a distance
4 away, about 1100 feet from residences, 1400.

5 HEARING OFFICER GEFTER: And then
6 there's a second transition station, is that
7 correct, at the PG&E switchyard?

8 THE WITNESS: Yes. The transition
9 station, though, the term we use is that the
10 underground conductors will daylight inside the
11 switchyard, itself, so it'll basically just pop up
12 out of the ground. There will be a termination
13 structure, but it will be part of the switchyard
14 buss configuration.

15 HEARING OFFICER GEFTER: And for the
16 record, has the applicant worked out any of the
17 concerns that were raised in previous conferences
18 and workshops regarding any kind of impacts to
19 that particular site owned by Southern Energy?

20 THE WITNESS: If I understand the
21 question correctly, we are in a negotiation with
22 Southern Company now regarding their site, all
23 aspects, access, environmental, routing and
24 easement. And it looks like that will conclude
25 very successfully very shortly.

1 HEARING OFFICER GEFTER: Okay, then when
2 that is concluded that will be put on the record?

3 THE WITNESS: It can, yes.

4 HEARING OFFICER GEFTER: Thank you.
5 Regarding water use for steam production, the AFC
6 and your testimony indicates that process steam
7 will be provided to the Dow Chemical Company. How
8 much water is necessary to produce that steam?

9 THE WITNESS: It's a very small amount.
10 The Dow steam load is about 70,000 pounds per
11 hour, and, Jerry didn't bring your calculator --
12 let me answer the question differently, let me
13 answer it in terms of total water usage of the
14 plant.

15 I spoke earlier regarding the cooling
16 tower. That's a separate entity. We discussed
17 that. The other water uses in the plant consist
18 of boiler makeup for steam, part of the steam
19 cycle; steam to Dow; high purity water for power
20 augmentation and for inlet air cooling.

21 All of those things are fed by a common
22 source, and that common source is raw water from
23 the Contra Costa Water District Canal of which we
24 have a pipeline, 20-inch pipeline adjacent to the
25 site, owned by Dow Chemical.

1 The total usage of the four things I
2 just mentioned are, on average, about 150 gallons
3 per minute. So, in addition to the secondary
4 effluent use to the cooling tower, the plant will
5 consume approximately 150 gallons per minute of
6 raw water, which we'll then treat for the various
7 processes I've just outlined.

8 HEARING OFFICER GEFTER: When you say
9 raw water, that's the secondary effluent?

10 THE WITNESS: No, that's water from the
11 Contra Costa Canal.

12 HEARING OFFICER GEFTER: Okay.

13 THE WITNESS: From the Contra Costa
14 Water District supply. That's a separate and
15 discrete water source.

16 HEARING OFFICER GEFTER: And what do you
17 mean by raw water?

18 THE WITNESS: That's their term. The
19 Contra Costa Canal system takes water from various
20 sources, Contra Loma Reservoir, and other storage,
21 and it is the water supply for the communities of
22 Antioch and Pittsburg and other places.

23 They then treat this raw water for
24 potable use.

25 HEARING OFFICER GEFTER: So you're not

1 using potable water, then, you're just using
2 directly from the canal, getting raw water?

3 THE WITNESS: That is correct.

4 HEARING OFFICER GEFTER: And that will
5 be treated on site?

6 THE WITNESS: Treated on site,
7 demineralized for high purity use purposes, right.

8 HEARING OFFICER GEFTER: And that
9 treatment will also be the same -- is that going
10 to occur in the same facility where you're going
11 to treat the secondary effluent?

12 THE WITNESS: No, they're different
13 facilities with different purposes.

14 HEARING OFFICER GEFTER: Do the
15 Committee Members have any other questions of the
16 witness?

17 COMMISSIONER PERNELL: Commissioner
18 Pernell. I'd like to follow up on the 150 gallons
19 per minute. Is this going to be a 24-hour use
20 plant?

21 THE WITNESS: That is an average daily
22 use, that's correct.

23 COMMISSIONER PERNELL: Oh, this is the
24 average daily use, 150 gallons per minute. And no
25 one has a calculator?

1 Is that -- and you're taking this water
2 from the canal? Is that an over-use of the
3 canal's water, and do you have permission to do
4 that? I would assume you do, have discussed that
5 with someone. That seems like a lot of water to
6 me. Maybe it's not, I'm not that familiar with
7 it. But it just seems like a lot of water, 150
8 gallons per minute.

9 THE WITNESS: To answer, there were a
10 couple questions there, and I'll attempt to
11 address them both.

12 The Contra Costa Water District is a
13 purveyor of both raw and potable water. And it's
14 indicated that they wish to have us as a customer.
15 The 150 gallons per minute is actually a fairly
16 small quantity in terms of the amount of water
17 they move and transport.

18 As an example, I think the Gaylord Paper
19 Plant, before it shut down, was using like 8000
20 gallons per minute from the canal. So this is a
21 fairly small amount. And will not impact their
22 ability to provide other customers.

23 COMMISSIONER PERNELL: Perhaps I can get
24 a report on how much water they use versus how
25 much they're selling you at some future date?

1 HEARING OFFICER GEFTER: In the
2 testimony on water quality that we are going to
3 hear on the 27th of October, --

4 THE WITNESS: 27th, right.

5 HEARING OFFICER GEFTER: -- we would
6 expect to hear from the applicant regarding the
7 amounts of water that will be used on site, is
8 that correct?

9 THE WITNESS: For purposes of this
10 discussion, we will commit to a detailed
11 description of water usage in the plant. And also
12 the comparative amounts to the amounts that Contra
13 Costa is moving. We'd be pleased to do that.

14 COMMISSIONER PERNELL: Thank you.

15 HEARING OFFICER GEFTER: Are there any
16 other questions of the witness from any other
17 Committee Members?

18 MR. HARRIS: Susan, can I do a brief
19 redirect?

20 HEARING OFFICER GEFTER: Yes.

21 REDIRECT EXAMINATION

22 BY MR. HARRIS:

23 Q Mr. Buchanan, you mentioned that this
24 project's genesis was in an RFP from Dow Chemical,
25 is that correct?

1 A That's correct.

2 Q And in an RFP process can you describe
3 that for us briefly?

4 A Dow Chemical, in its desire to seek a
5 more efficient energy source and divest itself of
6 one of its noncore business assets, went on the
7 street I believe in early 1998, maybe it was late
8 '97, I don't recall, and went into an RFP process,
9 that's a request for proposals.

10 And what they did was they selected a
11 number of companies known to be in the business of
12 cogeneration, either constructing, developing or
13 requiring assets. And then solicited their
14 interest in acquiring the Dow facility and
15 developing a new facility.

16 And I believe there were six or eight
17 companies that were approached, and Calpine was
18 the successful respondent.

19 Q So there was competition in response to
20 this RFP, you weren't the sole source?

21 A That is correct.

22 Q So is it fair to say then that the
23 project is the result of a competitive
24 solicitation?

25 A That is correct.

1 Q Okay.

2 MR. HARRIS: Thank you.

3 HEARING OFFICER GEFTER: Staff, would
4 you like to present your witness at this time?

5 MR. RATLIFF: The staff member who
6 prepared the project description in the final
7 staff assessment is Paul Richins.

8 HEARING OFFICER GEFTER: Would the
9 reporter please swear the witness.
10 Whereupon,

11 PAUL RICHINS
12 was called as a witness herein and after first
13 being duly sworn, was examined and testified as
14 follows:

15 DIRECT EXAMINATION

16 BY MR. RATLIFF:

17 Q Mr. Richins, did you prepare the portion
18 of the final staff assessment, part 1, titled
19 project description?

20 A Yes, I did.

21 HEARING OFFICER GEFTER: Mr. Richins,
22 would you please indicate your position with staff
23 before you begin your testimony.

24 THE WITNESS: My name is Paul Richins
25 and I'm the Project Manager for the Energy

1 Commission Staff on this project.

2 BY MR. RATLIFF:

3 Q Is it correct to the best of your
4 knowledge and belief?

5 A Yes, it is.

6 Q Can you describe briefly the project, or
7 any elements of the project which have not already
8 been described sufficiently?

9 A Yeah, I think Mr. Buchanan outlined the
10 project very thoroughly. The only thing that I
11 might add that came up in questioning from Ms.
12 Gefter, and that is we also, in addition to what
13 was discussed, staff analyzed the transmission
14 line or distribution line that's going from the
15 plant to Dow. It's about .7 of a mile long.

16 Also there will be a steam line and a
17 return line coming back to the facility of a
18 similar length, around .7 of a mile. So staff
19 also analyzed that portion of the project, as
20 well.

21 Q There were questions concerning water
22 use. Will staff have a witness to address that
23 issue more fully at a later date?

24 A Yes, we will.

25 Q And will they be responsive to those

1 questions that we've heard today?

2 A Yes.

3 MR. RATLIFF: The witness is available
4 for questioning.

5 HEARING OFFICER GEFTER: Does the
6 Applicant have cross-examination of the witness?

7 MR. HARRIS: No, we don't have any
8 questions, thank you.

9 HEARING OFFICER GEFTER: Do any of the
10 parties that are on the phone have any questions
11 of the witness? CURE?

12 MS. POOLE: No questions.

13 HEARING OFFICER GEFTER: CAP-IT?

14 MS. LAGANA: No questions.

15 HEARING OFFICER GEFTER: Mr. Boyd? I
16 don't believe he's on the phone right now.

17 I have a question for the witness.

18 EXAMINATION

19 HEARING OFFICER GEFTER: That's
20 regarding this steam line that you indicated that
21 staff looked at. In the AFC and also in the FSA
22 it talks about an aboveground insulated steam
23 pipeline carrying steam to the Dow facility. And
24 then just a plain pipeline carrying the return
25 back.

1 What is the safety consideration with
2 respect to this aboveground steam line?

3 THE WITNESS: Could you clarify from the
4 standpoint of safety?

5 HEARING OFFICER GEFTER: From the on-
6 site safety in terms of having an aboveground
7 steam line, would there be a potential for any
8 kind of explosion or any kind of, you know, heat
9 exposure, that sort of thing?

10 THE WITNESS: I didn't look at that
11 personally, and so you'd have to question the
12 witness probably on worker safety or some other
13 technical area. Or maybe facility design.

14 But I do know that they'll be following
15 standard practices. Steam lines such as this are
16 quite common in the Geysers, transmitting thermal
17 steam from wells to power plants. So this would
18 be of a similar nature.

19 HEARING OFFICER GEFTER: Okay. Are
20 there any other questions from the Committee?
21 None? Okay. Thank you very much.

22 The next topic if need conformance and
23 the integrated assessment of need. If the
24 applicant would go forward with your witness,
25 please.

1 MR. HARRIS: Our witness for this one
2 will be Susan Strachan.
3 Whereupon,

4 SUSAN STRACHAN
5 was called as a witness herein and after first
6 being duly sworn, was examined and testified as
7 follows:

8 DIRECT EXAMINATION

9 BY MR. HARRIS:

10 Q Could you state your name again for the
11 record?

12 A Susan Strachan.

13 Q And what subject matter testimony are
14 you sponsoring here today?

15 A The need conformance.

16 Q And specifically which documents are you
17 sponsoring as part of your testimony?

18 A Section 3.4 of the -- excuse me, 3.0 of
19 the application for certification.

20 Q Okay. Did you prepare this document, or
21 was it prepared at your direction?

22 A It was prepared under my direction.

23 Q Based upon your review of the testimony,
24 are the facts true to the best of your knowledge?

25 A Yes, they are.

1 Q Do you have any corrections or additions
2 to your testimony?

3 A No, I don't.

4 Q And do you adopt this as your testimony
5 today?

6 A Yes, I do.

7 Q If you'd like to provide a brief
8 summary, it would be appreciated.

9 A For needs conformance the Delta Energy
10 Center Project must comply with the CEC's
11 electricity report number 90 -- report 96 for
12 determining compliance with the integrated
13 assessment of need.

14 That document specifically states that
15 during the period when ER-96 is applicable,
16 proposed power plants shall be found in
17 conformance with the integrated assessment of need
18 as long as the total number of megawatts does not
19 exceed 6737.

20 At this time a total of 3068 megawatts
21 from five power plants could be licensed, have
22 been licensed or could be licensed by or near the
23 time that the Delta Energy decision will occur.
24 When you add the 880 megawatts from Delta Energy
25 Center on top of that, the total is 3934, which is

1 still well below the figure permitted under ER-96.

2 Q Thank you.

3 HEARING OFFICER GEFTER: Do you have any
4 further questions of your witness?

5 MR. HARRIS: Just two brief ones.

6 BY MR. HARRIS:

7 Q Now, have you reviewed the final staff
8 assessment discussion of need conformance?

9 A Yes, I have.

10 Q And do you concur in the conclusions or
11 recommendations set forth therein?

12 A Yes, I do.

13 MR. HARRIS: At this point, if it's
14 appropriate, I'd like to move section 3.0 of the
15 AFC into evidence.

16 HEARING OFFICER GEFTER: Is there any
17 objection to that?

18 MR. RATLIFF: No.

19 HEARING OFFICER GEFTER: Okay. Any
20 objection from any of the intervenors?

21 MS. LAGANA: None from CAP-IT.

22 HEARING OFFICER GEFTER: Thank you.

23 Hearing no other objections, the request to move
24 section 3.0 of the AFC into evidence is accepted.
25 That section is received into evidence.

1 MR. HARRIS: Thank you. We will now
2 make the witness available for cross-examination.

3 HEARING OFFICER GEFTER: Does staff have
4 any cross-examination of the witness?

5 MR. RATLIFF: No.

6 HEARING OFFICER GEFTER: Do any of the
7 intervenors have cross-examination of the witness?
8 Okay, hearing none, does the Committee have any
9 questions?

10 Okay, thank you very much.

11 THE WITNESS: Thank you.

12 HEARING OFFICER GEFTER: Staff, would
13 you go forward, please, with your witness.

14 MR. RATLIFF: The staff witness for need
15 is Connie Leni.

16 HEARING OFFICER GEFTER: Ms. Leni,
17 please come forward.

18 Whereupon,

19 CONSTANCE PARR LENI
20 was called as a witness herein and after first
21 being duly sworn, was examined and testified as
22 follows:

23 DIRECT EXAMINATION

24 BY MR. RATLIFF:

25 Q Ms. Leni, did you prepare the staff

1 testimony titled need conformance which is in part
2 1 of the FSA?

3 A Yes, I did.

4 Q Is it true and correct to the best of
5 your knowledge and belief?

6 A Yes, it is.

7 HEARING OFFICER GEFTER: Could Ms. Leni,
8 please identify her position on staff?

9 MR. RATLIFF: I think I'll let Ms. Leni
10 do that.

11 BY MR. RATLIFF:

12 Q What is your position on staff?

13 A I'm an electric generations systems
14 specialist with the electricity analysis office in
15 the energy information and assessments division.

16 Q Are your qualifications attached to the
17 final staff assessment?

18 A Yes, they are.

19 Q Could you summarize your testimony
20 briefly, please.

21 A Yes. Under state law the Energy
22 Commission cannot certify a proposed electric
23 generating facility unless it finds that the
24 project conforms with the integrated assessment of
25 need contained in the Energy Commission's most

1 recent electricity report, in this case the ER-96.

2 After completing our analysis we find
3 that the Delta Energy Center shall be in
4 conformance with the ER-96 integrated assessment
5 of need as long as the total number of megawatts
6 permitted under ER-96, including this project's
7 capacity, if approved, does not exceed 6737 at the
8 time the project is approved.

9 Q Does that complete your testimony?

10 A That completes my testimony.

11 MR. RATLIFF: The witness is available
12 for questions.

13 HEARING OFFICER GEFTER: Does the
14 applicant have cross-examination?

15 MR. HARRIS: No questions.

16 HEARING OFFICER GEFTER: Do any of the
17 intervenors have any cross-examination?

18 MS. LAGANA: No.

19 HEARING OFFICER GEFTER: Thank you.
20 Does the Committee have any questions?

21 Thank you, the witness may be excused.

22 We are now going to move on to the topic
23 of alternatives. Ms. Mendonca.

24 MS. MENDONCA: I have a question.

25 Rather than cross-examine, I did receive a

1 document from Community Health First. And there
2 was a comment in there on need that perhaps could
3 be entered at this time as a comment.

4 HEARING OFFICER GEFTER: That would be
5 appropriate.

6 MS. MENDONCA: Again, I received a ten-
7 page email this morning. The first three pages
8 were actually titled air quality and public
9 health. However, in reading the document there
10 were several paragraphs that would be appropriate
11 for today, and a comment in paragraph three deals
12 with the State of California and State of
13 California power sources.

14 To summarize that paragraph it would be
15 Mr. Hawkins' opinion that there is no current
16 need, no current bad need for the Delta Energy
17 Project at this time.

18 He goes on to say in point 9 that he
19 doesn't oppose a power plant, but he does oppose
20 the fact that it's a natural gas generation power
21 plant, and that he would not be opposed to any
22 nonpolluting power generation source.

23 And that would be his comments on need.

24 HEARING OFFICER GEFTER: Okay, and this
25 document to which you're referring was sent by

1 email and apparently served on the other parties
2 by email?

3 MS. MENDONCA: That is my understanding,
4 the proof of service list was served with this
5 document this morning.

6 HEARING OFFICER GEFTER: Thank you very
7 much.

8 MR. HARRIS: I have a brief comment.

9 HEARING OFFICER GEFTER: Yes. When was
10 it served, do you know?

11 MS. MENDONCA: I would have to check my
12 email, but it was very early this morning.

13 HEARING OFFICER GEFTER: Received this
14 morning, okay.

15 Mr. Harris.

16 MR. HARRIS: For the record, it may have
17 been emailed to us, but none of us have seen that.
18 I don't have any objection to the comments being
19 made, but I do have a question for Roberta. And I
20 know it's not your document, so bear with me.

21 Is there any citation to any authority
22 that Mr. Hawkins makes in that document for his
23 proposition that the project is not needed? Does
24 he cite any statute, regulations or other
25 documentation for his conclusion?

1 MS. MENDONCA: Pretty much he's relying
2 on a -- this is Roberta Mendonca referring to the
3 document from Joe Hawkins -- he's relying on a
4 September 23, 1999 EPA letter to Ellen Garvey
5 discussing BACT and in that letter he comes to the
6 conclusion that because the best available control
7 technology would be an alternative that does not
8 allow for any pollution, therefore there is no
9 need for this project, because it's using the gas-
10 fired technology.

11 And to assist you, Jeff, I can get you
12 copies of this. I didn't realize you didn't have
13 one. So I'll --

14 MR. HARRIS: Okay. Another question
15 briefly. Is there any reference whatsoever to the
16 ER report 96, integrated assessment of need,
17 performed by the Commission?

18 MS. MENDONCA: No, there is not.

19 MR. HARRIS: Okay.

20 MS. LAGANA: I have a question, this is
21 CAP-IT.

22 HEARING OFFICER GEFTER: Yes.

23 MS. LAGANA: Was that document dated
24 today or yesterday?

25 MS. MENDONCA: It was dated October 5th

1 at 4:22 a.m.

2 MS. LAGANA: I didn't get a copy,
3 either.

4 HEARING OFFICER GEFTER: Okay, so we
5 need to notify Mr. Hawkins that he needs to send
6 copies of this by email to all the parties as he
7 is required to under the order granting him
8 financial hardship status.

9 MS. MENDONCA: I'll be glad to do that.

10 MS. LAGANA: Excuse me, I didn't get
11 that document because I didn't think to look this
12 morning. I got documents from yesterday.

13 HEARING OFFICER GEFTER: Okay, well, we
14 will still have it double-checked. We understand
15 the document in which Roberta found that comment
16 regarding need is included in a document regarding
17 air quality and public health testimony, which
18 would be his proposed testimony for the later
19 hearing on air quality and public health.

20 MR. HARRIS: That's correct, and that's
21 our understanding as well. Maybe the ozone
22 testimony, I'm not sure. I didn't check my email
23 at 4:00 a.m. yesterday, so I don't know whether I
24 have it or not.

25 HEARING OFFICER GEFTER: We'll move on.

1 Okay.

2 MS. LAGANA: This is CAP-IT. I'm going
3 to be going offline for a few minutes.

4 HEARING OFFICER GEFTER: Okay.

5 MR. BOYD: This is Mike.

6 HEARING OFFICER GEFTER: Okay, our next
7 topic is going to be alternatives. And, Mike, you
8 have a question? We're going to go into testimony
9 on alternatives, and I understand that's the topic
10 in which you're interested? Mike?

11 MR. BOYD: Yeah.

12 HEARING OFFICER GEFTER: Are you
13 listening?

14 MR. BOYD: Yeah.

15 HEARING OFFICER GEFTER: Okay, we're
16 going to go on with the topic of alternatives at
17 this point.

18 MR. BOYD: Okay, so now is it time for
19 me to raise my questions?

20 HEARING OFFICER GEFTER: The applicant's
21 going to present testimony. You'll have an
22 opportunity to cross-examine. Just one minute.

23 MR. BOYD: Okay.

24 HEARING OFFICER GEFTER: Okay, we're
25 going to go off the record for one moment.

1 (Off the record.)

2 HEARING OFFICER GEFTER: Back on the
3 record. We're going to proceed with the topic of
4 alternatives. Mr. Harris, are you ready with your
5 witness?

6 MR. HARRIS: Yes, in this section Susan
7 Strachan will be our primary witness. Doug
8 Buchanan will also be available. They've both
9 been sworn and they both have their qualifications
10 on file as part of our previously filed testimony.

11 So, I'll use Susan for the beginning of
12 this, and again Doug is available for cross-
13 examination, as well.

14 Whereupon,

15 SUSAN STRACHAN and DOUG BUCHANAN
16 were recalled as witnesses herein and having been
17 previously duly sworn, were examined and testified
18 further as follows:

19 DIRECT EXAMINATION

20 BY MR. HARRIS:

21 Q Go ahead and state your name again for
22 the record.

23 A Susan Strachan.

24 Q And what subject matter are you here to
25 sponsor?

1 A Alternatives.

2 Q And specifically what documents are you
3 sponsoring as part of your testimony?

4 A Section 5.0 of the AFC.

5 Q Were these documents prepared either by
6 you or at your direction?

7 A They were prepared under my direction.

8 Q And based upon your review of the
9 testimony are the facts true to the best of your
10 knowledge?

11 A Yes, they are.

12 Q Do you have any changes or corrections
13 to your testimony?

14 A No, I don't.

15 Q And do you adopt this as your testimony?

16 A Yes, I do.

17 MR. HARRIS: At this point I'd like to
18 move into evidence section 5.0 of the AFC.

19 HEARING OFFICER GEFTER: Is there any
20 objection?

21 MR. RATLIFF: No.

22 HEARING OFFICER GEFTER: Do the parties
23 have any objection to receiving section 5.0 of the
24 AFC into evidence?

25 Hearing no objection, section 5.0 of the

1 AFC is moved into evidence.

2 (The above-referenced document,
3 Applicant exhibit section 5.0 of
4 AFC was received in evidence.)

5 BY MR. HARRIS:

6 Q Now, Ms. Strachan, have you reviewed the
7 final staff assessment?

8 A Yes, I have.

9 Q And have you reviewed -- there are no
10 conditions of certification for this particular
11 section, but have you reviewed the text of the
12 FSA?

13 A Yes, I have.

14 Q And do you agree with the factual
15 statements and the conclusions set forth therein?

16 A Yes, I do.

17 MR. HARRIS: With that, I'd make the
18 witness available for cross-examination.

19 HEARING OFFICER GEFTER: Does staff have
20 any questions of the witness?

21 MR. RATLIFF: No.

22 HEARING OFFICER GEFTER: Do the
23 intervenors have any questions of the witness?

24 MR. BOYD: Yes.

25 HEARING OFFICER GEFTER: Okay, let me go

1 down the list. CURE?

2 MS. POOLE: No questions.

3 HEARING OFFICER GEFTER: CAP-IT? Okay,
4 she went off the phone. Okay, Mr. Boyd, it's your
5 turn, you may cross-examine the witness.

6 MR. BOYD: Okay. Now, what I have here
7 in front of me is the FSA, and I have some
8 questions on it, specific sections. First, --

9 HEARING OFFICER GEFTER: I'm sorry, Mr.
10 Boyd, you're cross-examining the applicant's
11 witness, and staff would be testifying about the
12 FSA. Do you have questions about the applicant's
13 testimony?

14 MR. BOYD: Oh, no, thank you.

15 HEARING OFFICER GEFTER: I'm sorry, no?

16 MR. BOYD: Yeah.

17 HEARING OFFICER GEFTER: Yes, okay. You
18 may go forward.

19 MR. BOYD: I said no, I don't have any
20 questions on the applicant's testimony.

21 HEARING OFFICER GEFTER: Okay.

22 MR. BOYD: I have a question on the FSA.

23 HEARING OFFICER GEFTER: All right,
24 we're going to move on then, in a minute, to
25 staff's witness on alternatives.

1 At this point I have a question of the
2 applicant regarding alternatives.

3 EXAMINATION

4 HEARING OFFICER GEFTER: And the question is
5 regarding the project objectives, could you
6 describe those to us?

7 THE WITNESS: When you say project
8 objectives, are you speaking to the site selection
9 criteria that we established?

10 HEARING OFFICER GEFTER: Yes.

11 THE WITNESS: We have several site
12 criteria for selection of the site. One of them
13 was the size of the site. We needed approximately
14 20 acres for the project, itself, and then
15 additional land for a construction laydown area.

16 The site's proximity to Dow Chemical.
17 It needs to be compatible from a land use and
18 zoning standpoint.

19 HEARING OFFICER GEFTER: I'm going to
20 stop you right there. Why did you need to be
21 close to Dow Chemical?

22 THE WITNESS: In terms of the ability to
23 provide steam and electricity to Dow.

24 HEARING OFFICER GEFTER: And why was
25 that? And why is that a project objective, to

1 provide steam and electricity to Dow?

2 THE WITNESS: Based upon the competitive
3 solicitation that Dow Chemical did back in late
4 1997, early 1998, Calpine was selected as the
5 entity to develop a merchant plant, and as part of
6 that supply Dow with steam and electricity.

7 And then another one of the other
8 criteria was that the potential for any
9 environmental impacts to be mitigated to a level
10 of nonsignificance.

11 HEARING OFFICER GEFTER: And one of the
12 other questions I have for the applicant is in
13 terms of your looking at alternative generating
14 technologies, one of your criteria was base load
15 and load following requirements.

16 And I would like you to respond to the
17 question regarding why those were two requirements
18 for this project.

19 THE WITNESS: The project is a merchant
20 plant. It's designed to sell electricity into the
21 deregulated market. And as such the base load
22 operation is the intent in terms of how this plant
23 will operate.

24 HEARING OFFICER GEFTER: Is that based
25 on the RFP with Dow?

1 MR. BUCHANAN: Excuse me, this is Doug
2 Buchanan. The solicitation with Dow had several
3 commercial components to it. A fundamental part
4 of it was that Dow would, as part of this
5 commercial arrangement, provide a site to both
6 meet its own energy requirements going forward,
7 and also provide a host site for the merchant
8 plant, as Susan just described.

9 The objectives of this project were
10 twofold. One was to meet the criteria of Dow, as
11 they had set out in their solicitation. The other
12 was to provide an economical and efficient
13 electric generating capability into the
14 marketplace.

15 The combustion turbine combined cycle
16 technology we selected was very much selected with
17 the objective of needing to follow and to be
18 responsive to the California electric market.

19 Other technologies that would both be
20 compatible with the site, and would meet that
21 objective did not meet the same criteria as would
22 a combined cycle plant.

23 HEARING OFFICER GEFTER: Thank you.
24 Does the Committee have any other questions of the
25 applicant?

1 COMMISSIONER PERNELL: No questions.

2 MR. HARRIS: Can I do a brief redirect,
3 as well?

4 HEARING OFFICER GEFTER: Yes.

5 REDIRECT EXAMINATION

6 BY MR. HARRIS:

7 Q Ms. Strachan, on the site selection
8 criteria set forth in the AFC, there's a list of
9 several issues that were considered. Was any one
10 of those site selection criteria considered the
11 sole reason for the site selection?

12 A They were taken in combination of one
13 another.

14 Q So, the analysis then would include a
15 review of all of those factors together, and a
16 weighing of those various factors?

17 A Yes.

18 Q And no one single factor is controlling?

19 A Yes.

20 MR. HARRIS: Thank you.

21 HEARING OFFICER GEFTER: Thank you. Is
22 staff prepared to go forward with your witness on
23 alternatives?

24 MR. RATLIFF: Yes, the staff witness is
25 Eileen Allen.

1 Whereupon,

2 EILEEN ALLEN

3 was called as a witness herein and after first
4 being duly sworn, was examined and testified as
5 follows:

6 HEARING OFFICER GEFTER: Would you
7 please speak into the microphone, bring it closer?

8 DIRECT EXAMINATION

9 BY MR. RATLIFF:

10 Q Ms. Allen, did you prepare the portion
11 of part 1 of the FSA titled alternatives?

12 A Mr. Richins and I prepared this
13 testimony jointly.

14 MR. RATLIFF: Mr. Richins has already
15 been sworn, so he may also answer questions with
16 Ms. Allen.

17 BY MR. RATLIFF:

18 Q Is that testimony true and correct to
19 the best of your knowledge and belief?

20 A Yes, it is.

21 Q Do you have any changes to make in it?

22 A No, I do not.

23 HEARING OFFICER GEFTER: Will the
24 witness please identify your position with staff?

25 THE WITNESS: I'm a Project Manager in

1 the Commission's siting office within the energy
2 facility siting and environmental protection
3 division.

4 BY MR. RATLIFF:

5 Q Was the alternatives section of the FSA
6 intended to comply with the requirements of CEQA
7 to provide an alternatives analysis for this
8 project?

9 A Yes, it was.

10 Q Can you summarize briefly your analysis?

11 A Yes. Staff's required to examine the
12 feasibility of available site facility
13 alternatives to the applicant's proposal, which
14 would substantially lessen the significant adverse
15 impacts of the proposal on the environment.

16 Paul Richins and I prepared this
17 alternatives analysis which identifies the
18 applicant's basic objectives, potentially
19 significant impacts of the project, technology
20 alternatives and alternative sites that had the
21 potential for reducing or avoiding significant
22 impacts.

23 Given the cogeneration nature of the
24 project we looked for alternative sites that were
25 roughly one-half mile from the steam host, Dow

1 Chemical.

2 With respect to alternative sites we
3 looked at six in addition to the proposed site.
4 The sites are DEC alternative sites A, B, C and D,
5 the Dow Chemical waterfront site alternative, and
6 the proposed Pittsburgh District Energy Facility
7 site alternative.

8 Four of the alternative sites are
9 located in the City of Pittsburgh, and two
10 alternative sites are located in the City of
11 Antioch.

12 We also analyzed the no-project
13 alternative. This alternative assumes that the
14 project is not built, and it's compared to the
15 proposed project.

16 Staff concluded that the mitigation
17 measures proposed by DEC will reduce any impacts
18 to less than significant levels. We believe that
19 overall the no-project alternative is not superior
20 to the proposed project.

21 After examining the six alternatives
22 sites and the proposed DEC site, staff found that
23 using the proposed site and its related linear
24 facilities with mitigation measures would result
25 in the least environmental impact.

1 Since there are no unmitigated
2 significant adverse impacts, there are no issues.
3 Therefore, staff is not proposing any alternative
4 site related facility or technology options.

5 Q Ms. Allen, on page 363 of your testimony
6 at the bottom of the page there is discussion of
7 generation technology alternatives. Did you
8 actually look at demand side, load management, or
9 conservation alternatives to the project as part
10 of your analysis?

11 A No, I did not.

12 Q Can you explain why, as stated in your
13 testimony, you did not?

14 A Section 25305C of the Warren Alquist Act
15 indicates the staff need not look at demand side
16 management and other energy efficiency measures
17 for purposes of preparing an alternatives
18 analysis. So I did not.

19 Q In fact, doesn't section 25305C say that
20 it shall not be taken into account in terms of the
21 alternatives analysis?

22 A Yes, it does.

23 MR. RATLIFF: Do you have anything else
24 to add to your testimony? Or, Mr. Richins, do you
25 have anything to add to the testimony?

1 MR. RICHINS: No, I don't.

2 MS. ALLEN: I have nothing to add.

3 MR. RATLIFF: The witnesses are
4 available.

5 HEARING OFFICER GEFTER: Does the
6 applicant have cross-examination of the witness?

7 MR. HARRIS: Just a quick question.

8 CROSS-EXAMINATION

9 BY MR. HARRIS:

10 Q You mentioned that one of the sites that
11 was analyzed was the PDEF site, another facility
12 that's sited in this area. Staff obviously has
13 had a lot of time in Pittsburg, and the Antioch
14 area to look around at various sites.

15 Are you completely comfortable that
16 you've identified all those sites here and you've
17 analyzed them in accordance with your CEQA
18 responsibilities?

19 A Yes.

20 MR. HARRIS: Thank you.

21 HEARING OFFICER GEFTER: Are there
22 questions from any of the intervenors for the
23 staff's witness?

24 CURE?

25 MR. BOYD: Yes.

1 HEARING OFFICER GEFTER: Let's go to
2 CURE first.

3 MS. POOLE: No questions.

4 HEARING OFFICER GEFTER: CAP-IT?

5 MS. LAGANA: No questions.

6 HEARING OFFICER GEFTER: Okay, Mr. Boyd,
7 you may proceed and ask questions of the staff's
8 witness.

9 MR. BOYD: Yes, I do.

10 CROSS-EXAMINATION

11 BY MR. BOYD:

12 Q Basically I'd like to break it up into
13 two sections of questions, one has to do with --
14 the first series of questions has to do with
15 alternatives to the project. And the second
16 series has to do with the alternative sites.

17 And first I'd like to start by reading,
18 staff, in the introduction to the alternative
19 section, the FSA, it says the staff did compare
20 various alternative technologies with the proposed
21 project. And goes on to explain that the
22 technologies that could serve as an alternative to
23 the project are geothermal, solar, hydroelectric
24 and wind.

25 And each of the technologies could be

1 attractive to an environmental perspective because
2 of the absence or reduced level of pollution
3 emissions.

4 And then it goes on to explain that
5 there are no geothermal sources in the Pittsburgh
6 vicinity. And that solar and hydroelectric in the
7 Bay Area is insufficient for commercial scale
8 electric generation.

9 First what I would like to cite is the
10 Energy Commission has on their website a renewable
11 section. And I'd like to read the introductory
12 statement from that, and then pose the questions
13 that I would like to have answered by the
14 Commission Staff in this regard.

15 First off, it says while all forms of
16 energy production cause environmental impacts,
17 some produce fewer impacts than others.
18 Competition in the electricity industry offers
19 Californians a unique opportunity to help clean up
20 California's air, reducing greenhouse gas
21 emissions, and support in-state energy industries
22 by making environmentally sensitive electric
23 choices.

24 The State of California has long
25 recognized the importance of encouraging the

1 development of energy resources that are both less
2 harmful to the environment and renewable in
3 nature. In the past the state policy insured that
4 renewable energy resources were developed to serve
5 California's electricity needs.

6 And in a competitive electricity market
7 consumers will decide whether California's
8 renewable resources continue to be developed for
9 this purpose.

10 And then this leads to my questions that
11 I would like to have answered and identified by
12 the staff. It's not necessarily, I don't know
13 that you necessarily have to answer them today,
14 but I'd like to have some kind of written response
15 to these questions, if possible, at some point in
16 the future.

17 The first is, what is renewable energy?
18 Or renewable power? I'd like a definition of that
19 for comparison purposes.

20 HEARING OFFICER GEFTER: Okay, --

21 MR. BOYD: What are the benefits of
22 renewable power?

23 MR. RATLIFF: Are these questions for
24 the witness or --

25 HEARING OFFICER GEFTER: Excuse me.

1 MR. BOYD: Can I keep --

2 HEARING OFFICER GEFTER: Mr. Boyd, --

3 MR. BOYD: Yeah.

4 HEARING OFFICER GEFTER: Okay, at this
5 time what we're -- the process right now is you
6 have the opportunity to cross-examine the witness
7 on the testimony that she's provided.

8 MR. BOYD: Okay.

9 HEARING OFFICER GEFTER: And so, if you
10 have direct questions for the witness, you can --

11 MR. BOYD: Okay.

12 HEARING OFFICER GEFTER: -- ask them at
13 this point. Now, if you --

14 MR. BOYD: That's fine.

15 HEARING OFFICER GEFTER: -- have general
16 questions regarding renewable energy and you wish
17 to submit those --

18 MR. BOYD: Right, basically my
19 understanding of the California Environmental
20 Quality Act is that the alternative sites are to
21 be -- the alternatives of the project are to be
22 examined for their environmental impacts, not
23 particularly for economic impacts.

24 And it seems like the staff, in their
25 alternatives, this statement I just read, that

1 they're not really doing a comparison of
2 alternative technologies in compliance with the
3 Environmental Quality Act --

4 HEARING OFFICER GEFTER: Is that your
5 question for the --

6 MR. BOYD: -- requirements --

7 HEARING OFFICER GEFTER: I'm sorry, is
8 that your question --

9 MR. BOYD: -- to identify a
10 environmentally preferred alternative.

11 HEARING OFFICER GEFTER: Okay, is that
12 your question?

13 MR. BOYD: And that's my question.

14 HEARING OFFICER GEFTER: Okay, --

15 MR. BOYD: Is how does --

16 MR. HARRIS: Actually a point of order
17 on this.

18 MR. BOYD: -- how does this --

19 MR. HARRIS: He's asking a --

20 HEARING OFFICER GEFTER: I'm sorry, he's
21 asking the staff --

22 MR. BOYD: -- section of the staff
23 assessment comply with the requirements of CEQA in
24 this regard.

25 HEARING OFFICER GEFTER: Okay, now

1 that's actually a legal question, and we'll have
2 to refer that to legal counsel. Because I believe
3 that you're asking a legal question, there. I
4 don't --

5 MR. RATLIFF: I heard a statement, not
6 actually a question. Maybe --

7 MR. HARRIS: And the statement comes
8 from the power plant efficiency section.

9 HEARING OFFICER GEFTER: Excuse me,
10 okay, Mr. Harris, wait a minute. Okay, Mr. Boyd,
11 can you rephrase your question, please? And
12 either make it -- it's unclear whether you're
13 asking a legal question or you're asking a
14 question of the witness who performed the
15 alternatives analysis.

16 MR. BOYD: Right, I'm asking the witness
17 if they -- how does this two-paragraph statement
18 on alternative technologies meet the requirements
19 for CEQA in identifying the environmentally
20 preferred alternative to this project.

21 HEARING OFFICER GEFTER: Okay, and
22 you're talking about the two paragraphs that
23 appear in the FSA at page 364?

24 MR. BOYD: The two paragraphs about the
25 alternative technologies.

1 HEARING OFFICER GEFTER: Okay, so that's
2 your question for the witness?

3 MR. BOYD: That's correct.

4 HEARING OFFICER GEFTER: Okay. We will
5 ask the witness to try to answer that question.
6 Do you understand the question, Ms. Allen? Okay.
7 Please proceed.

8 MS. ALLEN: As part of the alternatives
9 analysis I needed to look at the basic project
10 objectives. It was extremely clear that the
11 project developers were working in concert with
12 Dow Chemical to develop a project that would
13 provide steam and electricity to the Dow Chemical
14 Company.

15 I'm not aware of any renewable energy
16 technologies that would result in a reliable
17 source of steam and electricity to a large
18 industrial steam user such as the Dow Chemical
19 Company.

20 MR. BOYD: Okay. Can I ask another
21 question?

22 HEARING OFFICER GEFTER: Yes, you may.

23 BY MR. BOYD:

24 Q Okay, in that regard, what you're
25 talking about seems to me to be an economic and

1 not an environmental benefit. And specifically
2 there are some significant environmental benefits
3 to renewable energy generation that this project
4 cannot achieve.

5 And my question is if you're going to
6 base it on the need for steam for the Dow project,
7 I would like to know why you haven't did a more
8 thorough comparison of the environmental benefits
9 from the two options.

10 HEARING OFFICER GEFTER: Do you
11 understand the question, Ms. Allen?

12 MS. ALLEN: What are the two options
13 that you're wanting me to compare?

14 MR. BOYD: The proposed project, as is,
15 and renewable energy sources.

16 MR. RATLIFF: Could I ask you to
17 rephrase the question --

18 MR. BOYD: Basically I'm asking why are
19 you not comparing -- this is an environmental
20 matter, not an economic matter, and that's why I'm
21 concerned about, you know, the failure to address
22 the renewables.

23 MR. RATLIFF: Well, I think the witness
24 just answered that she didn't find a feasible
25 alternative that was a renewable resource

1 generation technology. And --

2 MR. BOYD: You're breaking up --

3 MR. RATLIFF: -- use as an environmental
4 consideration under CEQA.

5 HEARING OFFICER GEFTER: Okay, let's
6 move on to the next question.

7 MR. BOYD: Okay, so I didn't hear what
8 that response was. It broke up.

9 HEARING OFFICER GEFTER: Okay, pull the
10 mike closer, please.

11 MR. RATLIFF: I'm not sure which one I'm
12 speaking into. Can you hear me, --

13 MR. BOYD: Yeah, now I can hear you.

14 MR. RATLIFF: -- Mr. Boyd? I think the
15 witness in answer to your question just said that
16 she did not find a feasible alternative generation
17 technology, renewable technology that would be
18 consistent with the project goals. And
19 feasibility is, under the California Environmental
20 Quality Act, clearly a consideration
21 environmentally for alternatives.

22 MR. BOYD: Well, okay. To respond to
23 that, --

24 HEARING OFFICER GEFTER: How about a
25 question, please?

1 MR. BOYD: Okay. The question I guess
2 then would be so basically you're stating that you
3 feel that -- the staff is stating that they feel
4 that the environmental impact report properly
5 within the requirements of CEQA considered
6 alternatives, and specifically considered the
7 alternative of renewable energy generation?

8 MS. ALLEN: The final staff assessment,
9 alternative section, which Mr. Richins and I
10 prepared, is the document that I'm dealing with.

11 And, yes, I do believe that it fairly
12 considered alternatives in the CEQA context.

13 MR. BOYD: Okay. And the other question
14 I wanted to know is if you're aware of the fact
15 that there has been a CEQA litigation around this
16 matter in the case of Citizens of Goleta Valley
17 versus the Board of Supervisors in Santa Barbara
18 County. The courts found in that case there was a
19 failure of environmental impact report to consider
20 alternatives.

21 And that basically if you don't do it to
22 the requirements of CEQA that it is subject to
23 challenge. That's my question. Do you understand
24 that?

25 HEARING OFFICER GEFTER: I believe

1 that's a question for the attorney. Mr. Ratliff,
2 could you answer that? Bring the mike closer.

3 MR. RATLIFF: We're aware of the Goleta
4 decision, yes. And those are --

5 MR. BOYD: Okay.

6 MR. RATLIFF: -- those are basically --

7 MR. BOYD: Okay, so that sort of pretty
8 much wraps up the alternatives to the project.

9 Now, I'd like to move on, if I can, to
10 the siting portion of the alternative section if
11 that's okay?

12 HEARING OFFICER GEFTER: Certainly, if
13 you're speaking on the issue of alternatives. And
14 then you can ask questions of the witness. Are
15 those your questions, regarding alternatives?

16 MR. BOYD: Basically it's in regards to
17 the alternatives and the alternative sites --

18 HEARING OFFICER GEFTER: Okay.

19 MR. BOYD: -- that are provided. Is
20 that also included in this section?

21 HEARING OFFICER GEFTER: Yes, it is.
22 You may go forward with your questions.

23 MR. BOYD: Okay, now the other thing is
24 on the alternative -- in the alternatives you
25 talked a little bit about the -- hold on, let me

1 back up with one simple question first I need to
2 ask.

3 Is there any -- in some other siting
4 cases before the Commission, there's been
5 involvement with the federal government through
6 the Western Power Administration. Is there any
7 NEPA or National Environmental Policy Act review
8 process concurrent with the process that we're
9 going through right now for the Delta Project? Or
10 is this strictly a state matter, and not -- is a
11 federal review not involved?

12 HEARING OFFICER GEFTER: The attorney
13 can answer that, please.

14 MR. RATLIFF: There is no federal agency
15 involvement such that would require a federal
16 environmental document, such as an environmental
17 impact statement.

18 MR. BOYD: Okay. So that sort of limits
19 my questions then. I thought I should clarify
20 that first.

21 Okay, then my other question is in --
22 hold on, this is going to take second to find the
23 correct page -- talking about in the conclusion
24 section. You go, let's see, -- of the project
25 alternatives considered, the environmentally

1 preferred alternative would be the smaller 240
2 megawatt combined cycle power plant. However,
3 this smaller project would be less likely to meet
4 project objectives and offer no environmental
5 benefit when compared to the proposed project.

6 The environmental impacts with the
7 smaller project would have impacts that would need
8 to be mitigated similar to the proposed project.
9 There's no project alternatives not
10 environmentally preferred because of the project
11 would provide to steam -- a steam host that is
12 currently being served by a less efficient
13 generator.

14 HEARING OFFICER GEFTER: Mr. Boyd, --

15 MR. BOYD: My first question is --

16 HEARING OFFICER GEFTER: -- excuse me.
17 You were just reading from page 370 of the final
18 staff assessment, is that correct?

19 MR. BOYD: That's correct. Okay, now
20 you say that the preferred alternative is 240
21 megawatts, but then you go on to say that there's
22 no net benefit from that. So my question is why
23 is that the environmentally preferred alternative
24 if there's no net benefit, or no change in the
25 impacts?

1 HEARING OFFICER GEFTER: Ms. Allen, do
2 you understand the question?

3 MS. ALLEN: Yes. If I may I'm going to
4 confer with Mr. Ratliff?

5 HEARING OFFICER GEFTER: Okay.

6 MS. ALLEN: Of all the alternatives that
7 we considered, the smaller project was preferable
8 among that group.

9 MR. BOYD: I just lost you, again.

10 MS. ALLEN: I'll give this another try.

11 MR. BOYD: Okay.

12 MS. ALLEN: Of all the alternatives
13 considered, the smaller project alternative was
14 preferable among that group.

15 MR. BOYD: My question is why. What
16 environmental benefit did it have that the others
17 didn't?

18 MS. ALLEN: On a basic level the level
19 of emissions is lower.

20 MR. BOYD: So air emissions is the issue
21 that makes that the preferred alternative?

22 MS. ALLEN: That's the major item.

23 MR. BOYD: Okay. Now, my other question
24 is you say that doesn't meet the project's
25 objectives. Are the objectives that it's not

1 meeting, are they environmental or economic in
2 nature?

3 MS. ALLEN: I'm going to confer with Mr.
4 Ratliff again.

5 (Pause.)

6 MS. ALLEN: Mr. Boyd, I think the
7 environmental and economic features overlap. I
8 took an overall look at feasibility in terms of
9 whether the alternatives would meet the project
10 objectives. And I didn't see any feasible
11 alternatives.

12 MR. BOYD: Okay, but this is basically
13 the same project, just scaled down, correct?

14 MS. ALLEN: Yes.

15 MR. BOYD: Okay, now the reason I'm
16 raising this issue is once again citing the
17 Citizens for Goleta Valley case, in that case the
18 courts found that the alternative of a smaller
19 project was not shown to be economically
20 infeasible.

21 And in your conclusion here you don't
22 really demonstrate that there's anything that
23 makes this proposal economically infeasible. And
24 so my question is why is that being used as a
25 consideration in the project, this alternative to

1 the project?

2 MR. RATLIFF: Mr. Boyd, if I may, this
3 is Dick Ratliff again. I don't really intend to
4 object, but I'd like to clarify a couple of things
5 since you're raising basically a legal issue, and
6 I think it needs to be addressed.

7 In the Citizens of Goleta Valley case
8 the project had significant environmental impacts.
9 In the present case the staff found no significant
10 environmental impacts and the project is fully
11 mitigated, including in the area of air quality.

12 MR. BOYD: You're breaking up, sorry.

13 MR. RATLIFF: I'm saying that there's a
14 distinction between the situation in the Goleta
15 case, which you're referring to, --

16 MR. BOYD: Um-hum.

17 MR. RATLIFF: -- where there was
18 significant unmitigated environmental impacts,
19 after all mitigation you still had significant
20 environmental impacts.

21 And in the present case where the staff
22 has found that there are no significant
23 environmental impacts, even in the area of air
24 quality, which require mitigation, for that reason
25 the Goleta -- the notion of the small project in

1 Goleta was one that was of great importance to
2 that alternatives analysis.

3 But where you have no significant impact
4 and where you have offsets fully offsetting any
5 emissions from the project, as in this case, it --

6 MR. BOYD: -- I respond --

7 MR. RATLIFF: -- we don't -- what you're
8 asking is why we would not prefer the no-project
9 alternative in this case.

10 MR. BOYD: No, no, I'm talking more
11 about the 240 megawatt proposed alternative. The
12 reduced project.

13 MR. RATLIFF: I understand, and I'm
14 saying we found that -- we haven't gotten to air
15 quality yet in that, so we're sort of jumping a
16 little bit ahead of ourselves here. But staff has
17 not found a significant air impact associated with
18 this project.

19 And for that reason, the only
20 environmental benefit of a smaller project would
21 be lower emissions. But if you have no
22 significant impact, as you did in the Goleta case,
23 but if you have no significant impact then there
24 is no environmentally preferable alternative from
25 the smaller project.

1 MR. BOYD: Okay.

2 MR. RATLIFF: Do you understand my --

3 MR. BOYD: Yeah, no, I understand. Now
4 I should let you know that actually I was a member
5 of the board of directors of Citizens for Goleta
6 Valley when we filed that lawsuit against the
7 County of Santa Barbara to challenge this project.

8 And your statement that there's no
9 environmental impact is a matter of conjecture.

10 MR. RATLIFF: Well, it's a matter of
11 record with regard to the Goleta decision.

12 MR. BOYD: In the Goleta decision --

13 MR. RATLIFF: In the case --

14 MR. BOYD: -- there were -- there was
15 a -- the board of supervisors actually approved
16 the project --

17 HEARING OFFICER GEFTER: Okay, excuse
18 me, Mr. Boyd. I'm going to interject --

19 MR. BOYD: -- and they felt they --

20 HEARING OFFICER GEFTER: -- because --

21 MR. BOYD: -- adequately mitigated it --

22 HEARING OFFICER GEFTER: Mr. Boyd.

23 Excuse me.

24 MR. BOYD: Yes.

25 HEARING OFFICER GEFTER: This is Susan

1 Gefter, Hearing Officer. I'm going to interject
2 because first of all, I believe that the court
3 decision in the Goleta case speaks for itself.

4 MR. BOYD: Right.

5 HEARING OFFICER GEFTER: And we are on
6 cross-examination and not argument here, so --

7 MR. BOYD: That's fine.

8 HEARING OFFICER GEFTER: -- if you have
9 a question of the witness you may proceed.

10 MR. BOYD: That's fine, --

11 HEARING OFFICER GEFTER: Thank you.

12 MR. BOYD: -- no, I have no question on
13 that, in that regard. I'd like to continue with
14 my other questions, though, if that's okay?

15 HEARING OFFICER GEFTER: Thank you.
16 Please go forward with your question.

17 MR. BOYD: Okay. Now, going to the no-
18 project alternative, it says the no-project
19 alternative is not environmentally preferred
20 because the project will provide steam to a host
21 that is currently being served by a less efficient
22 generator.

23 I really question why you're not
24 providing me a comparison of the no-project
25 alternative, the reduced project alternative, the

1 proposed project alternative, and the alternative
2 sites showing specific criteria for evaluation.

3 Basically these comments that I've seen
4 on the different options are sort of general. And
5 many of them have to do with economic issues once
6 again. And I guess my question is do you believe
7 that this meets the requirement of CEQA for
8 defining the no-project alternative, especially in
9 this case, since you are basing -- you're saying
10 the no-project alternative isn't the
11 environmentally preferred alternative because of
12 this steam host that you're talking about? And I
13 don't really see any evidence to demonstrate the
14 environmental benefits of this over the other
15 alternative.

16 So my question is, you know, why have
17 you done this? And do you believe this complies
18 with CEQA?

19 HEARING OFFICER GEFTER: Let's divide
20 that into two questions. The first question Ms.
21 Allen can answer. And the second question
22 regarding CEQA we'll leave for Mr. Ratliff.

23 MS. ALLEN: Given the proposed project
24 is a cogeneration project, the energy efficiency
25 features of the project and the related fuel

1 savings were a positive. So I concluded that the
2 proposed cogeneration project would result in
3 benefits that would not occur in the no-project
4 alternative.

5 MR. BOYD: But those are economic
6 benefits.

7 MS. ALLEN: Pardon me?

8 MR. BOYD: Those are economic benefits,
9 not environmental benefits.

10 MS. ALLEN: I understand what you're
11 saying. They are --

12 MR. RATLIFF: Is there a question that
13 the intervenor is asking --

14 MR. BOYD: My question is why wasn't the
15 project identified, the no-project alternative
16 identified as the environmentally preferred
17 alternative since you're talking only about
18 economic benefits from the project, not
19 environmental.

20 MR. RATLIFF: Well, --

21 MR. BOYD: I mean obviously no project
22 would be no air emissions from that project.
23 That's a net benefit.

24 HEARING OFFICER GEFTER: Okay, do you
25 have a question then for Ms. Allen?

1 MR. BOYD: Why -- my question, once
2 again, why isn't the no-project alternative
3 considered the environmentally preferred
4 alternative to the project? Since you're saying
5 basically there's economic concerns.

6 MS. ALLEN: Mr. Boyd, I believe that the
7 benefits that I noted of increased energy
8 efficiency and related fuel savings are
9 environmental benefits, as well as economic.

10 MR. BOYD: Well, I --

11 HEARING OFFICER GEFTER: Okay, I think
12 she --

13 MR. BOYD: -- disagree, and I'd like to
14 see you demonstrate --

15 HEARING OFFICER GEFTER: Excuse me, Mr.
16 Boyd, --

17 MR. BOYD: -- it through some --

18 HEARING OFFICER GEFTER: -- again, Mr.
19 Boyd, excuse me. Susan Gefter, Hearing Officer.
20 I believe she's answered the question, so --

21 MR. BOYD: That's fine.

22 HEARING OFFICER GEFTER: -- let's move
23 on to another question.

24 MR. BOYD: Okay, next, this pretty much
25 wraps it up. Then my other questions have to do

1 with the specific alternative sites.

2 Hold on, this is going to take me a
3 second. Basically there's four sites that you
4 identified, and then in the conclusion here you
5 say the Delta Energy Center alternative site C has
6 contaminated soil with preliminary planning for
7 soil remediation process underway.

8 And alternative site D is zoned
9 community commercial and is close to a large
10 residential area.

11 And then you go on to say the proposed
12 PDEF site is smaller than 20 acres, and it's not
13 available due to USSPOSCO's existing contract with
14 the Pittsburgh District Energy Facility, limiting
15 liability company for development of a competing
16 plant.

17 The Dow Chemical waterfront site is also
18 smaller than 20 acres.

19 My question is you don't identify any of
20 these alternatives as the preferred siting
21 alternative, and once again I ask, do you believe
22 that this meets the requirements of CEQA for
23 alternative siting? And once again I'll cite the
24 Goleta case.

25 And then also my question is, is the

1 concern of the site being smaller than 20 acres,
2 is that a economic or an environmental concern on
3 the part of the applicant?

4 HEARING OFFICER GEFTER: Okay, regarding
5 legal analysis as to whether the FSA analysis
6 complies with CEQA, we'll leave that for Mr.
7 Ratliff to answer.

8 If you can answer the other question,
9 Ms. Allen?

10 MR. RATLIFF: I object to the continual
11 use of the terms economic and environmental. They
12 have no definition, and I think they're not
13 meaningful in terms of CEQA. I don't think the
14 witness can really adequately answer a question
15 that's phrased in that way. So I would like him
16 to ask the question in some way that is at least
17 meaningful to the witness, and in terms of the act
18 that we're trying to implement here.

19 HEARING OFFICER GEFTER: Mr. Boyd, could
20 you ask the question without using those terms and
21 without referring to CEQA?

22 MR. BOYD: I can't. I honestly didn't
23 hear what he said, it broke up.

24 MR. RATLIFF: The objection I make is
25 that you are using a term economic, and another

1 term environmental, which are not defined in the
2 Act and which really have no meaningful
3 distinction in terms of CEQA.

4 I would ask you to rephrase --

5 MR. BOYD: Do you want me to clarify
6 that?

7 MR. RATLIFF: -- your question in some
8 way that would allow her to answer the question.

9 MR. BOYD: Okay. So what I mean by
10 economic is, is the consideration based on the
11 goals and objectives of the applicant to develop a
12 plant that will basically generate money, capital
13 for the company. They're doing it as a business
14 proposition, as opposed to there's some legitimate
15 concern for an environmental impact that would
16 occur if they sited it on a smaller parcel, say,
17 for example, more air emissions, or they wouldn't
18 be able to accommodate, you know, maybe there's
19 something on the site that would be
20 environmentally damaged, or some water quality
21 issue or something like that.

22 Basically I'm trying to separate out
23 things that basically are the business plan of the
24 applicant, and those that are environmental
25 impacts identified by the project on the proposed

1 alternative site.

2 MR. RATLIFF: Do you understand the
3 question?

4 MR. BOYD: Does that clarify it?

5 HEARING OFFICER GEFTER: Do you
6 understand the question, Ms. Allen?

7 MS. ALLEN: I believe so. I need to
8 explain to you how I approached it. And I hope
9 that that will respond to your question.

10 When I went through the advantages and
11 disadvantages, the size of the alternative site
12 was something I looked at. So, when the
13 alternative site was not as large as 20 acres, I
14 noted that as a disadvantage. But it isn't
15 automatically an elimination factor.

16 If the Energy Commission Staff, in its
17 multidisciplinary analysis, had found that there
18 were significant impacts with the proposed site,
19 and we had found that there was a site that was
20 perhaps 15 acres in size that reduced those
21 impacts to a level of insignificance, I would have
22 considered that site.

23 MR. BOYD: Okay.

24 MS. ALLEN: However, that wasn't the
25 case.

1 MR. BOYD: Okay, now, to give you a case
2 in point, then, the USSPOSCO's existing contract
3 with the Pittsburgh District Energy Facility for
4 development of a competing power plant, it appears
5 to me that site, just by the nature of what it is,
6 would be an environmentally preferred alternative.

7 Yet, it seems like your citing the fact
8 that there's a competing power plant proposed to
9 go into that site as the reason that it's not the
10 environmentally preferred alternative.

11 If this isn't the case, could you
12 clarify for me what the reasons are,
13 environmentally, that that site isn't the
14 environmentally preferred alternative?

15 MS. ALLEN: The major factor is that
16 that site is not available.

17 MR. BOYD: Because it's being owned --
18 but that's not an environmental concern.

19 MS. ALLEN: It's certainly something
20 that I need to take into account when I'm looking
21 at the feasibility of alternative sites.

22 MR. BOYD: Right, but you're supposed to
23 be identifying, I thought --

24 HEARING OFFICER GEFTER: Okay, --

25 MR. BOYD: -- you were supposed to be

1 identifying --

2 MR. RATLIFF: The witness answered the
3 question.

4 MR. BOYD: -- the environmental --

5 HEARING OFFICER GEFTER: Okay, Mr. Boyd,
6 Susan Gefter here, --

7 MR. RATLIFF: This is not an opportunity
8 for an extended argument.

9 MR. BOYD: That's fine, I'm just asking,
10 trying to ask a question.

11 HEARING OFFICER GEFTER: Okay. The
12 counsel has objected to your continuing to ask the
13 same question over again. I believe the witness
14 has answered the question. Can we move on to
15 another question?

16 MR. BOYD: Okay. I think I'm almost
17 done.

18 Okay, now the only other question I have
19 actually has to do with cumulative impacts that
20 have to do with air quality that are going to
21 occur as a result of what I feel are inadequate
22 alternatives in alternative siting.

23 My question, I guess, are these issues
24 that I can raise later, or do I have to raise them
25 now?

1 HEARING OFFICER GEFTER: Are you asking
2 the Committee that question?

3 MR. BOYD: Yeah. Yeah, it has to do
4 with air quality issues that are associated with
5 the alternative section.

6 HEARING OFFICER GEFTER: I'm not clear
7 what your question is. In terms of air quality,
8 testimony will be heard on November 3rd.

9 MR. BOYD: Correct. Now, but this has
10 to do with basically I'm going to be raising
11 issues on the adequacy of the alternatives
12 analysis in regards to emissions and the effects
13 on public health, that kind of thing.

14 HEARING OFFICER GEFTER: Well, if you're
15 going to be asking questions about air quality and
16 public health, then you can ask them at the
17 appropriate hearing, which is November 3rd.

18 MR. BOYD: Okay, that's fine. Then I'd
19 done, thank you very much for your time and your
20 answers.

21 MS. ALLEN: If needed, I would be
22 available to attend that hearing.

23 MR. BOYD: Oh, wonderful. Okay.

24 HEARING OFFICER GEFTER: Okay. What you
25 need to do is you need to file your testimony --

1 MR. BOYD: Um-hum.

2 HEARING OFFICER GEFTER: -- by October
3 15th on air quality.

4 MR. BOYD: Okay.

5 HEARING OFFICER GEFTER: And then if you
6 have any rebuttal testimony you file that on
7 October 22nd.

8 MR. BOYD: Okay. I need to file it by
9 October --

10 HEARING OFFICER GEFTER: October 15th.

11 MR. BOYD: Okay.

12 HEARING OFFICER GEFTER: And then you
13 will also serve that on all the other parties, and
14 they will serve their testimony on you.

15 MR. BOYD: Serve it on the docket list?

16 HEARING OFFICER GEFTER: And then if you
17 have any concerns or any rebuttal testimony that
18 needs to be filed October 22nd, and these are very
19 strict times. So we need to see your testimony
20 before we get to the hearing.

21 MR. BOYD: Okay.

22 HEARING OFFICER GEFTER: Okay, and if
23 you are requesting that Ms. Allen be present, you
24 need to indicate so in your testimony.

25 MR. BOYD: Okay, I will. I will. Now,

1 one final question which Mr. Hawkins from
2 Community Health First emailed me and requested me
3 to read his stuff into the record. But when I
4 look at his stuff it's pretty much all air quality
5 stuff.

6 HEARING OFFICER GEFTER: Okay, well,
7 we'll hold that --

8 MR. BOYD: Now, Ms. Mendonca said
9 something earlier about she was going to introduce
10 that information, is that correct?

11 HEARING OFFICER GEFTER: Yes, Ms.
12 Mendonca will introduce that information at the
13 hearing on air quality, which is November 3rd.

14 MR. BOYD: Okay, so there's nothing I
15 need to do on that regards --

16 HEARING OFFICER GEFTER: That's right.

17 MR. BOYD: Okay, thank you.

18 HEARING OFFICER GEFTER: Okay. Thank
19 you very much.

20 MR. BOYD: Sure.

21 HEARING OFFICER GEFTER: Okay, Mr.
22 Ratliff, did you have a comment?

23 MR. RATLIFF: Well, I just wondered if I
24 have an opportunity for redirect.

25 HEARING OFFICER GEFTER: Yes, you do.

1 You may do that right now.

2 MR. RATLIFF: Is this the time for it?

3 HEARING OFFICER GEFTER: Yes.

4 MR. RATLIFF: To do this I'm going to
5 ask your indulgence. I'm going to read the
6 provision in CEQA which basically is the opening
7 paragraph of what the alternatives analysis -- the
8 purpose of the alternatives analysis --

9 HEARING OFFICER GEFTER: Okay, and also
10 could you move the microphone closer so that the
11 people on the phone can hear you. It's the tall
12 one that you need to put closer.

13 MR. RATLIFF: I'm reading from section
14 15126.6 of the Public Resources Code.
15 Consideration and discussion of alternatives to a
16 proposed project.

17 Alternatives to the proposed project.
18 An EIR shall describe the range of reasonable
19 alternatives to the project or to the location of
20 the project which would feasibly attain most of
21 the basic objectives of the project, but would
22 avoid or substantially lessen any of the
23 significant effects of the project.

24 And evaluate the comparative merits of
25 the alternatives.

1 REDIRECT EXAMINATION

2 BY MR. RATLIFF:

3 Q Ms. Allen, in your view have you done
4 that in this analysis?

5 A Yes, I have.

6 Q Is it your understanding that the staff
7 has identified no significant impacts associated
8 with this project?

9 A Yes, that's my understanding.

10 Q And is this project directed to meet the
11 requirements of an RFP issued by Dow Chemical
12 Company?

13 A Yes, it is.

14 MR. RATLIFF: Thank you, I have no other
15 questions.

16 HEARING OFFICER GEFTER: Thank you. Is
17 there any recross from the applicant?

18 MR. HARRIS: Yeah, I have a few
19 questions I'd like to ask.

20 RECROSS-EXAMINATION

21 BY MR. HARRIS:

22 Q Ms. Allen, the CEC process is a
23 multidisciplinary process, is that correct?

24 A Yes, covering approximately 22 technical
25 areas.

1 HEARING OFFICER GEFTER: When you say
2 CEC process, you're referring to the certification
3 review process?

4 MR. HARRIS: Yes, and the staff analysis
5 and the FSA, as well.

6 BY MR. HARRIS:

7 Q Can you describe briefly what that
8 means, multidisciplinary?

9 A The technical specialists ranging from
10 air quality, biology, public health, worker safety
11 and so on each takes a look at the project from
12 their technical area expertise.

13 Q And is that information factored into
14 your analysis, as well?

15 A Yes, it is.

16 Q So let me ask then does your
17 alternatives analysis include a consideration of
18 issues like cultural resources?

19 A Yes, it does.

20 Q Does it consider land use issues?

21 A Yes, it does.

22 Q Does it consider noise issues?

23 A Yes, it does.

24 Q Does it consider traffic and
25 transportation issues?

1 A Yes.

2 Q Does it include visual resources?

3 A Yes.

4 Q Does it include socioeconomic issues?

5 A Yes.

6 Q Does it take into consideration air
7 quality issues?

8 A Yes.

9 Q Does it factor in hazardous material
10 handling issues?

11 A Yes.

12 Q Does it consider worker safety issues?

13 A Yes, it does.

14 Q Does it consider waste management
15 issues?

16 A Yes.

17 Q Does it consider biological resource
18 issues?

19 A Yes.

20 Q Does it consider water resource issues?

21 A Yes, it does.

22 Q Do you consider agricultural and soil
23 issues?

24 A Yes.

25 Q Do you consider paleontological issues?

1 A Yes, the analysis --

2 Q Assuming I said that correctly.

3 A -- includes them.

4 Q Thank you. How about geological hazards
5 and resources?

6 A Yes.

7 Q Transmission safety and nuisance?

8 A Yes.

9 Q Compliance with laws, ordinances,
10 regulations and standards?

11 A That's featured in each of the technical
12 areas that you've mentioned previously.

13 Q And facility design is also considered
14 in that?

15 A Yes.

16 Q Transmission and safety design?

17 A Yes.

18 Q Reliability issues?

19 A Yes.

20 Q Efficiency issues?

21 A Yes.

22 Q Is it fair to say that each of the
23 disciplines listed in the table of contents for
24 the staff assessment are factored into your
25 analysis?

1 A Yes, I would say that.

2 MR. HARRIS: Thank you. I have no
3 further questions.

4 HEARING OFFICER GEFTER: Thank you. Are
5 there any other questions from the Committee?

6 COMMISSIONER PERNELL: No.

7 HEARING OFFICER GEFTER: Okay. Are
8 there any questions from any of the other parties
9 who are listening in?

10 Okay. At this point we're going to take
11 a recess. The witness may be excused.

12 (Brief recess.)

13 HEARING OFFICER GEFTER: Mr. Ratliff has
14 a clarification on his citation.

15 MR. RATLIFF: Yes, I misspoke. The
16 reference, what I was reading from is section
17 15126.6 of the guidelines to the California
18 Environmental Quality Act. Which are in the
19 California Code of Regulations.

20 And the reference at the end of the
21 passage that I read is Citizens of Goleta Valley
22 v. Board of Supervisors 1990, that's the Supreme
23 Court decision which addresses the requirements
24 for alternative analyses under the California
25 Environmental Quality Act.

1 HEARING OFFICER GEFTER: Thank you.

2 We're taking a recess now, let's go off
3 the record.

4 (Whereupon, at 11:49 a.m., the hearing
5 was adjourned, to reconvene at 1:00
6 p.m., this same day.)

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1 AFTERNOON SESSION

2 1:00 p.m.

3 HEARING OFFICER GEFTER: The next topic
4 is facility design. Is the applicant ready with
5 your witness?

6 MR. HARRIS: Yes, we are. Our witness
7 will be Doug Buchanan.

8 HEARING OFFICER GEFTER: Mr. Buchanan
9 has already been sworn.

10 Hello, is somebody on line on the phone?

11 MS. MENDONCA: Hi.

12 HEARING OFFICER GEFTER: Okay, who is
13 this?

14 MS. MENDONCA: It's Roberta.

15 HEARING OFFICER GEFTER: Okay, so,
16 Roberta, you're on, but I don't know if anybody
17 else is on the phone. I haven't been able to --
18 are you on your car phone?

19 MS. MENDONCA: Yes.

20 HEARING OFFICER GEFTER: Okay, because
21 it's kind of static-y. We're off the record,
22 aren't we? Oh, I'm sorry --

23 (Off the record.)

24 HEARING OFFICER GEFTER: Okay, and, Mr.
25 Harris, are you ready to proceed on the subject of

1 facility design?

2 MR. HARRIS: Yes, we are. Our witness
3 will be Mr. Buchanan.

4 Whereupon,

5 DOUGLAS BUCHANAN

6 was recalled as a witness herein and, having been
7 previously duly sworn, was examined and testified
8 further as follows:

9 DIRECT EXAMINATION

10 BY MR. HARRIS:

11 Q So, Doug, can you again state your name
12 for the record?

13 A Douglas Buchanan.

14 Q And what subject matter testimony are
15 you sponsoring here?

16 A I'll be sponsoring facility design and I
17 would also wish to include power plant efficiency
18 and reliability as part of this testimony.

19 Q Okay, specifically which documents are
20 you sponsoring as part of your testimony?

21 A I'll be sponsoring section 9 of the AFC,
22 and data adequacy responses, the AFC appendix
23 number 9, applicant responses to CEC data requests
24 numbers 19 through 25. And our comments to the
25 PSA that were filed on August 19, 1999.

1 Q Were these documents either prepared by
2 you or at your direction?

3 A They were.

4 Q Based upon your review of the testimony
5 are the facts true to the best of your knowledge?

6 A They are true to the best of my
7 knowledge.

8 Q Any corrections or changes to your
9 testimony?

10 A I have no corrections or changes at this
11 time.

12 Q And you adopt this as your testimony?

13 A I adopt it as my testimony, that's
14 correct.

15 MR. HARRIS: In the interests of
16 speeding up the process we're going to forego the
17 summary at this point, and I just want to go
18 through a couple things quickly with Doug.

19 BY MR. HARRIS:

20 Q You reviewed the FSA, the final staff
21 assessment?

22 A That's correct.

23 Q There are no conditions of certification
24 associated with these particular issues, but have
25 you reviewed this section of the FSA?

1 A Yes, I have, and there are some --

2 Q My mistake, I'm sorry.

3 A -- conditions of certification.

4 Q There absolutely are. Still on
5 autopilot from this morning. Let me back up,
6 then.

7 Have you reviewed those conditions of
8 certification in the FSA?

9 A I have.

10 Q And are those conditions of
11 certification acceptable to you?

12 A They are acceptable.

13 MR. HARRIS: At this point then I'd like
14 to move into evidence the documents associated
15 with this testimony.

16 HEARING OFFICER GEFTER: I'd like you to
17 go over them and correlate them with the exhibit
18 list.

19 MR. HARRIS: Okay, --

20 HEARING OFFICER GEFTER: You can do that
21 later, and we can go forward with the testimony.
22 But I need to have the more specific exhibits that
23 we're talking about here.

24 MR. HARRIS: Okay, well, we're pretty
25 much ready to go forward at this point, so let me

1 see if I can do that.

2 Section 9 of the AFC relates to exhibit
3 number 2. Appendix 9, again is exhibit number 2.
4 Responses to CEC data requests numbers 19 through
5 25 would be I think exhibit number 6, which
6 includes the range of data requests from 1 to 61.

7 Anybody can jump in here if I mess this
8 up, please?

9 Comments on the PSA were filed August
10 19, and that is document number 18 I'm informed.

11 HEARING OFFICER GEFTER: And that's the
12 whole of exhibit 18?

13 MR. HARRIS: Yes.

14 HEARING OFFICER GEFTER: Okay, is there
15 any objection to the admission of those enumerated
16 items into the record from the staff?

17 MR. RATLIFF: No.

18 HEARING OFFICER GEFTER: Is CURE on the
19 phone? Is CAP-IT on the phone? Okay, is there
20 any other party on the phone?

21 Okay, hearing no objection to the
22 admission of these items into the record, these
23 items are now received into evidence.

24 //

25 //

1 (The above-referenced documents,
2 previously marked Applicant's
3 exhibits 2, 6 and 18, were received
4 in evidence.)

5 MR. HARRIS: Thank you. At this point I
6 would make the witness available for cross-
7 examination.

8 HEARING OFFICER GEFTER: And does staff
9 have any questions of the witness?

10 MR. RATLIFF: No.

11 HEARING OFFICER GEFTER: Does any
12 Committee Member have any questions regarding
13 facility design?

14 COMMISSIONER PERNELL: None.

15 HEARING OFFICER GEFTER: All right. I
16 have some questions of the applicant.

17 EXAMINATION

18 HEARING OFFICER GEFTER: With respect to
19 the natural gas pipeline that connects to PG&E's
20 line 400, this is identified as the Antioch
21 Terminal, which you indicated earlier during your
22 project description.

23 Could you describe the location of that
24 terminal?

25 THE WITNESS: The Antioch Terminal,

1 proper, is physically located on a parcel of land
2 at the intersection of Bridgehead Drive and the
3 Burlington Northern Railroad in Antioch. Again,
4 it's formed by the northeast corner of Bridgehead
5 Road and the Burlington Northern Railroad in
6 Antioch.

7 That was the original proposed
8 interconnection point in the AFC.

9 HEARING OFFICER GEFTER: And this is, I
10 think, key to the entire project. If you could
11 explain the combined cycle design of the project
12 which identifies the three combustion turbine
13 generators and three HRSGs and the one steam
14 turbine generator, how does the -- the question I
15 have with respect to that configuration is how
16 does the shared steam generator fit within the
17 configuration? And I assume it is a shared steam
18 generator.

19 And then secondly, is this a
20 configuration that's designed by Westinghouse,
21 which is the turbines that you were using?

22 THE WITNESS: The benefit derived from
23 what we refer to as a combined cycle power plant
24 configuration is one in which you're actually,
25 hence the name, you're using two energy cycles in

1 combination, which is the derivation of the name.

2 The one cycle is what we refer to as a
3 simple cycle. And the simple cycle is using, in
4 this case, a combustion turbine, a mechanical
5 drive device to turn a generator.

6 By itself, that is the combustion
7 turbine, this mechanical device, the combustion
8 turbine driving the generator alone would be
9 considered a simple cycle application. One motor,
10 one generator.

11 One of the characteristics of the
12 combustion turbine process is that the turbine
13 proper exhausts large volumes of air at very high
14 temperature. And the nature of that high
15 temperature is such that there's much much energy
16 in that high temperature gas that is exiting the
17 combustion turbine.

18 The engineer, the one concern of the
19 thermodynamics of the process wants to capture
20 that energy, otherwise it would be wasted. That
21 energy is captured by the gas-to-metal contact in
22 this boiler, heat recovery boiler. Again, hence
23 the name.

24 It is recovering the heat out of that
25 gas. That heat is transferred into another

1 medium, in this case a liquid condensate, and
2 transferred at high temperature into steam, which
3 steam can then be used as again in another
4 mechanical device, steam turbine, to drive the
5 steam turbine.

6 The steam goes through the steam
7 turbine, the mechanical nature of it drives yet
8 another generator. The steam is then condensed
9 back into liquid form so it's easier to move
10 around, and the cycle is repeated.

11 So, basically what we have is a
12 mechanical device, a simple cycle mechanical
13 device; what really is a conventional boiler
14 arrangement using the hot gas to capture even
15 additional energy; and the steam turbine.

16 The combination of these two cycles, the
17 recovery of the energy in the exit gas, leads to
18 the term combined cycle. And the overall plant
19 efficiency ends up being somewhere close to 55
20 percent thermal efficiency. That's very high. 55
21 percent of the energy contained in the natural gas
22 is converted to electrical energy. That's a very
23 high conversion rate.

24 And for mechanical devices of these
25 nature, 55 percent is really about where we are in

1 terms of technological limit.

2 By themselves, a conventional boiler
3 would be mid 20s to 30 percent efficient, and the
4 simple cycle is less than that. But in
5 combination you get the big bang for the buck.

6 A long-winded explanation, but did that
7 answer the question?

8 HEARING OFFICER GEFTER: Yes. Thank you
9 very much. And with respect to this particular
10 configuration that the project has chosen, is this
11 a configuration that's designed by Westinghouse?

12 THE WITNESS: The configuration is
13 generic in nature. It's what I would refer to as
14 a generic thermodynamic cycle. In this case we
15 are employing Westinghouse equipment in the form
16 of the combustion turbine. But this type of
17 configuration is employed with all manufacturers,
18 General Electric, ABB, and those that make similar
19 kinds of devices.

20 HEARING OFFICER GEFTER: With respect to
21 seismic structure and stability, does the
22 applicant agree to conditions GEN2 and STRUC1,
23 which identify the components requiring a dynamic
24 analysis, and which direct the applicant to
25 perform the analysis?

1 MR. HARRIS: Which page are those on,
2 Susan?

3 THE WITNESS: 309. And would you please
4 restate the second condition?

5 HEARING OFFICER GEFTER: 309. It's GEN2
6 and STRUC1. Okay, and these refer to the dynamic
7 analysis that's required for seismic zone 4.

8 Okay, it's page 309, first condition
9 GEN1, which identifies apparently the -- actually,
10 I'm sorry, it's GEN2, isn't it. I'm sorry, GEN2,
11 which identifies the structures that would be
12 subject.

13 THE WITNESS: Yes, we do concur with the
14 condition to perform a dynamic analysis on the
15 major structures as noted --

16 HEARING OFFICER GEFTER: Right, and then
17 there's also --

18 THE WITNESS: -- in GEN2.

19 HEARING OFFICER GEFTER: -- STRUC1,
20 S-T-R-U-C-1. That is at page 318 of the FSA.

21 THE WITNESS: Yes, we concur with
22 condition STRUC1, also.

23 HEARING OFFICER GEFTER: And the
24 applicant agrees to perform those analyses, if
25 necessary?

1 THE WITNESS: That is correct.

2 HEARING OFFICER GEFTER: Okay, thank
3 you.

4 Are there any questions? Okay.

5 MR. HARRIS: Just one --

6 HEARING OFFICER GEFTER: Do you have
7 redirect?

8 MR. HARRIS: Just one quick question.

9 REDIRECT EXAMINATION

10 BY MR. HARRIS:

11 Q Just to be clear, Doug, the applicant
12 does agree to each and every one of the conditions
13 which start on page 309 and continue on to the end
14 of the facility design section at 325?

15 A We agree with the conditions listed in
16 that section, yes.

17 MR. HARRIS: Thank you.

18 HEARING OFFICER GEFTER: Is staff
19 prepared to go forward with your witness on
20 facility design?

21 MR. RATLIFF: Yes, the staff testimony
22 will be presented by Steve Baker and Al McCuen.

23 HEARING OFFICER GEFTER: Would the
24 reporter please swear the witnesses.

25 //

1 Whereupon,

2 STEVE BAKER and AL McCUEN
3 were called as witnesses herein and after first
4 being duly sworn, were examined and testified as
5 follows:

6 DIRECT EXAMINATION

7 MR. RATLIFF: Mr. Baker, did you and Mr.
8 McCuen prepare the testimony titled facility
9 design in the FSA part 1?

10 MR. BAKER: Yes, I did.

11 MR. McCUEN: Yes.

12 MR. RATLIFF: Is that testimony true and
13 correct to the best of your knowledge and belief?

14 MR. BAKER: Yes.

15 MR. McCUEN: It is.

16 MR. RATLIFF: Do you have any changes to
17 make at this time in it?

18 MR. McCUEN: No.

19 MR. BAKER: No.

20 MR. RATLIFF: Could we start with Mr.
21 Baker, and have Mr. Baker summarize his testimony,
22 his contribution to it, and then have Mr. McCuen
23 follow that, if it's acceptable to you, and then
24 have them both available --

25 HEARING OFFICER GEFTER: And I would ask

1 Mr. Baker, and then Mr. McCuen to identify their
2 positions with the staff before they testify.

3 MR. BAKER: My name is Steve Baker. I'm
4 a senior mechanical engineer in the engineering
5 office of the facility siting division. I
6 prepared a portion of the facility design
7 testimony and I was responsible for oversight of
8 the entire section.

9 The facility design analysis examines
10 whether the project is likely to be designed and
11 constructed in accordance with all laws,
12 ordinances, regulations and standards governing
13 the engineering design and construction.

14 After examining the applicant's proposed
15 list of these laws, and the applicant's
16 engineering design criteria, staff can conclude
17 that this will be the case.

18 Then to insure that this compliance
19 does, in fact, occur we have proposed 23
20 conditions of certification to guide and monitor
21 the design review and the construction inspection
22 of the process.

23 MR. RATLIFF: Mr. McCuen, would you
24 begin by stating your position with the staff.

25 MR. McCUEN: My name is Al McCuen. I'm

1 the program manager for the transmission system
2 engineering discipline; I'm also the senior
3 electrical engineer responsible for the electrical
4 section of the facility design.

5 MR. RATLIFF: Could you summarize your
6 contribution to this piece of testimony?

7 MR. McCUEN: Yes. I reviewed the
8 electrical power plant facilities, the motors,
9 pumps, control systems, grounding system --

10 HEARING OFFICER GEFTER: Let's go off
11 the record a minute.

12 (Off the record.)

13 MR. McCUEN: Continuing on, I also
14 reviewed the facilities out to the power plant
15 switchyard, up to the 18 kV side of the
16 transformer. At that point the staff basically
17 breaks the analysis; from that point on the
18 facilities are covered under the transmission
19 system engineering discipline.

20 I also prepared the electrical
21 conditions of certification for facility design.
22 That completes my summary.

23 MR. RATLIFF: Does the testimony that
24 either one of you prepared under facility design
25 have anything to do with, in your opinion, best

1 available control technology, as that term is used
2 in the air quality portion of the analysis?

3 MR. McCUEN: Absolutely not.

4 MR. BAKER: No.

5 MR. RATLIFF: I have no further
6 questions. The witnesses are available.

7 HEARING OFFICER GEFTER: Does the
8 applicant have cross-examination of the witnesses?

9 MR. HARRIS: No questions, thank you.

10 HEARING OFFICER GEFTER: Is CAP-IT on
11 line? On the phone? Is CURE on the phone? Is
12 there anyone else on the phone? Hello, is there
13 anyone else on the phone?

14 Okay, I have some questions of our
15 witnesses.

16 EXAMINATION

17 HEARING OFFICER GEFTER: With respect to
18 the last question that you were asked regarding
19 BACT, on page 305 of the AFC there is some
20 discussion about emission controls. And my
21 question is whether the information provided here
22 in the FSA may be changed eventually, subject to
23 what the final DOC states on these emissions?

24 MR. BAKER: This paragraph found its way
25 in here in good intention to describe the project.

1 In retrospect I believe it was a bad decision to
2 put it in the facility design section.

3 HEARING OFFICER GEFTER: Would staff
4 move to delete this section from facility design
5 part of the FSA?

6 MR. RATLIFF: We can just withdraw that
7 portion of the testimony. It will be covered in
8 the air quality portion, in any case.

9 HEARING OFFICER GEFTER: Is there any
10 objection to withdrawing that testimony from the
11 applicant?

12 MR. HARRIS: It looks --

13 MR. RATLIFF: We're talking about the
14 one paragraph at the bottom of page 305.

15 HEARING OFFICER GEFTER: The one
16 paragraph at the bottom of page 305 of the FSA.

17 MR. HARRIS: It looks to be pretty much
18 just a factual description, but we wouldn't object
19 if staff would prefer to have it out, so.

20 HEARING OFFICER GEFTER: All right.
21 Okay, we're going to delete that paragraph
22 regarding emission controls at page 305 of the
23 FSA, and this information, I understand, will be
24 presented during staff's testimony on air quality.

25 MR. RATLIFF: That's right.

1 HEARING OFFICER GEFTER: And also
2 subject to information that you receive in the
3 final DOC. Okay, thanks.

4 Then, also I had a question also about
5 the FSA. On the same page 305, relating to the
6 electric transmission line, there's reference to
7 the 13.8 kV line that will connect the project to
8 Dow Chemical. It says it's an underground line.
9 Is that an accurate statement?

10 MR. McCUEN: That's wrong, it should
11 have been changed. It was originally intended to
12 be underground, it's not slated to be overhead.
13 And that's correctly described by the applicant,
14 and also in my testimony on TSE.

15 HEARING OFFICER GEFTER: Thank you.
16 There's also a description in the FSA regarding
17 the gas pipeline, I believe, which is protected
18 against corrosion -- I think this must be the
19 steam pipeline -- protected against corrosion by
20 pipecoating system and a cathodic pressure system.
21 What does that mean? Are you familiar with what
22 I'm --

23 MR. BAKER: Where do you find that,
24 please?

25 HEARING OFFICER GEFTER: It's at page

1 301; it's regarding the natural gas pipeline on
2 page 301.

3 MR. BAKER: Could you repeat the
4 question, please?

5 HEARING OFFICER GEFTER: Okay, and the
6 statement is that the pipeline will be protected
7 against external corrosion by a pipecoating system
8 and a cathodic protection system.

9 And my understanding is that the
10 pipeline in some parts will be, you know, that
11 DHDD process -- I'm very confused by this
12 paragraph. Page 301.

13 MR. BAKER: HDD?

14 HEARING OFFICER GEFTER: Yes. Isn't
15 this referring to the gas pipeline?

16 MR. McCUEN: Yes, it is.

17 HEARING OFFICER GEFTER: Okay, what --

18 MR. BAKER: I'm sorry, I'm having
19 trouble understanding your question.

20 HEARING OFFICER GEFTER: Okay, second
21 sentence of that paragraph, what does that mean?

22 MR. BAKER: Okay, since this is an
23 underground pipeline it's made of metal, it'll be
24 exposed to soil and water and any other chemicals
25 under the soil.

1 To protect the pipeline from corrosion
2 or rust, which could cause it to fail and release
3 the gas, the pipe will be coated with this special
4 coating of very sophisticated kind of paint,
5 protected with heavy kraft paper over that. And
6 then there will be electric wires and electrodes
7 fastened to the pipe along its length.

8 And at various intervals the wires will
9 come to the surface and there will be a small set
10 of instruments that will actually feed a direct
11 current voltage into these wires and thus into the
12 pipe, itself.

13 The purpose of this electricity, this
14 cathodic protection, is to prevent the pipe from
15 becoming a chemical anode and dissolving as part
16 of a battery would, because it's exposed to the
17 chemicals in the soil.

18 HEARING OFFICER GEFTER: Okay. And does
19 this refer to the entire pipeline, even the
20 portions of the pipeline that are buried deeply
21 underground through that HDD process that Mr.
22 Buchanan described under project description?

23 MR. BAKER: Yes, this coating, cathodic
24 protection is used for underground pipes.

25 HEARING OFFICER GEFTER: Okay, thank

1 you. At page 306 of the FSA, the section under
2 wastewater discharge. The statement states exact
3 routing of the line has not yet been determined,
4 that's regarding the water discharge pipe.

5 Has it been determined since this
6 testimony was submitted?

7 MR. BUCHANAN: This is Doug Buchanan, on
8 Steve's cue here. The routing is proposed to be
9 through a 60-foot easement that also forms the
10 driveway into the facility.

11 I don't know if you can see it from
12 here, but this is the driveway here. And this
13 easement continues to the west for approximately
14 100 feet into the Delta Diablo complex. And the
15 various pipes, including the wastewater discharge,
16 are proposed to go through that easement.

17 HEARING OFFICER GEFTER: And you're
18 referring to the site map of exhibit 22?

19 MR. BUCHANAN: Yes, I'm referring to
20 figure 1.1-2 and I am pointing to the access road
21 on the southeast corner of the plant, which
22 continues to an easement that we have through
23 Delta Diablo's facility.

24 HEARING OFFICER GEFTER: And this
25 question is probably more for the applicant than

1 for staff. In the staff's proposed conditions
2 they refer to the CBO, the chief building officer
3 in several parts of the conditions, and has the
4 applicant identified the CBO for the compliance
5 monitoring in this case?

6 MR. BUCHANAN: Have we identified the
7 CBO?

8 HEARING OFFICER GEFTER: Yes. Well, it
9 would be staff, but do you have a local CBO in the
10 City of Pittsburg or in Antioch?

11 MR. BUCHANAN: Presently that's John
12 Little with the City of Pittsburg.

13 HEARING OFFICER GEFTER: Does staff have
14 any redirect of your witnesses?

15 REDIRECT EXAMINATION

16 MR. RATLIFF: Mr. Baker, I don't know if
17 you were here earlier, but the Hearing Adviser
18 asked the question concerning the safety of
19 exterior steam pipes. Are you able to answer
20 questions of that nature?

21 MR. BAKER: I believe so. I heard the
22 question earlier. The safety of the aboveground
23 pipelines, the steam pipeline and the condensate
24 return pipeline, will be insured by the fact that
25 they'll be designed and built to all the

1 applicable laws and codes.

2 I don't know if ANSI-B-31.1 power piping
3 is the applicable one, but the appropriate code
4 will be selected and used to design these pipes to
5 install them and to inspect them to make sure that
6 they're built as safely as appropriate.

7 The chances of a pipeline like this, the
8 cogen steam to the Dow facility, or the condensate
9 return pipeline, the chances of a pipeline like
10 this causing a safety problem are exceedingly low,
11 to the point where it's, as long as it's built to
12 code, to the proper laws, it's not a question.

13 HEARING OFFICER GEFTER: Is that also
14 the case with the gas pipeline?

15 MR. BAKER: To a lesser extent. The gas
16 pipeline also will be built to very stringent
17 codes and laws. There have been accidents with
18 gas pipelines. This is taken into account. You
19 try to design around it as best you can, and you
20 build the pipeline to what are accepted levels of
21 safety. And that's what's proposed here.

22 HEARING OFFICER GEFTER: Okay. Do you
23 have any recross from the applicant?

24 MR. HARRIS: Just briefly.

25 //

1 RECROSS-EXAMINATION

2 MR. HARRIS: Steve, the application, or
3 excuse me, the compliance with the LORS really
4 will make this essentially a state of the art
5 construction, is that a correct statement?

6 MR. BAKER: Absolutely.

7 MR. HARRIS: Okay, that's it, thank you.

8 HEARING OFFICER GEFTER: Ms. Mendonca,
9 the Public Adviser, had some public comment that
10 she wanted to read into the record during this
11 portion of the testimony regarding facility
12 design. And she will call back.

13 And so we will conclude testimony on
14 this section except for the comments that Ms.
15 Mendonca will read to us when she calls back to
16 the hearing.

17 At this point the witness is excused on
18 the subject of facility design, both witnesses are
19 excused.

20 Our next topic is power plant
21 reliability. If the applicant is ready to go
22 forward on that topic.

23 Okay, well, in fact --

24 MS. MENDONCA: Susan, it's Roberta.

25 HEARING OFFICER GEFTER: Okay, Roberta.

1 You know, we were just ready to go on to the next
2 topic, but we still are in facility design, so we
3 are ready for your comments.

4 MS. MENDONCA: Okay, thank you.

5 Basically I am once again referring to
6 the ten-page document that was submitted this
7 morning by Joe Hawkins with Community Health
8 First.

9 And he had three comments that are
10 based, in his opinion, on a letter that was sent
11 from CalEPA on September 23, 1999, to Ellen
12 Garvey. And he believes that that letter was
13 posted to the parties in a proof of service on the
14 28th of September.

15 The three points I believe that he would
16 want to make are that the EPA letter indicates
17 that the Delta Center Project does not meet that.
18 And he would also point to three maps that he got
19 from the Air Resources Board's website. And from
20 those maps he reaches the conclusion that the
21 state is in nonattainment.

22 And finally, he says that if the Delta
23 Energy Center were to use -- and this is a quote,
24 "true BACT", that would be nonpolluting renewable
25 energy, and he would say that nonpolluting power

1 generation would help homeowners in this area.

2 And finally, he believes, this is in
3 paragraph number 10 on page 2, even if you use the
4 controls that were submitted, and I believe he
5 means at that point by the application for
6 certification, they cause pollution in another
7 form. It may not be so much airborne as not using
8 them, but it still causes pollution that has to be
9 disposed of. And he believes that that issue has
10 not yet been addressed.

11 And I believe that summarizes Mr.
12 Hawkins' remarks. And I will notify Mr. Hawkins
13 that the future hearings scheduled will be in
14 Pittsburg in the evening.

15 HEARING OFFICER GEFTER: That is
16 correct. And thank you for --

17 MS. MENDONCA: And I'm done, I think.

18 HEARING OFFICER GEFTER: Okay, yes.
19 Thanks for bringing the comments. In fact, we
20 now --

21 MS. MENDONCA: I realize that my
22 transmission creates a lot of problems, so I'm
23 going to actually sign off. Priscilla is
24 listening in the office, and she can call me if
25 you need me further.

1 HEARING OFFICER GEFTER: Thank you very
2 much.

3 MS. MENDONCA: Okay?

4 HEARING OFFICER GEFTER: Yes. And I
5 want to tell you that Priscilla of the Public
6 Adviser's office, has distributed copies of the
7 document that you refer to just now, so everyone
8 at least who is present today has a copy.

9 MS. MENDONCA: Great. Thank you very
10 much.

11 HEARING OFFICER GEFTER: Thank you.

12 MS. MENDONCA: Bye bye.

13 HEARING OFFICER GEFTER: Okay, and then
14 again referring to copies of this document, I
15 think Mr. Harris has a comment.

16 MR. HARRIS: Just an observation here.
17 My understanding, looking at this, this is
18 actually Mr. Hawkins' testimony for air quality
19 and public health. And I don't mind that we
20 talked a little bit about it today, I think that's
21 probably appropriate.

22 But this, to me, looks like he's filed
23 his October 15th testimony early, and --

24 HEARING OFFICER GEFTER: That is what it
25 looks like, and this will be considered his filing

1 on air quality. And if he has additional
2 testimony to file, he still has till October 15th
3 to do so.

4 MR. HARRIS: Right. Thank you for the
5 clarification.

6 HEARING OFFICER GEFTER: Okay, thank
7 you.

8 We are now going to move on to the next
9 topic which is power plant reliability. And the
10 applicant was about to present your witness.
11 Whereupon,

12 DOUGLAS BUCHANAN
13 was recalled as a witness herein and having been
14 previously duly sworn, was examined and testified
15 further as follows:

16 DIRECT EXAMINATION

17 BY MR. HARRIS:

18 Q This witness, again, can you state your
19 name for the record, please?

20 A Douglas Buchanan.

21 Q And what subject matter testimony are
22 you sponsoring?

23 A I'll be sponsoring power plant
24 reliability.

25 Q And what documents are you sponsoring as

1 part of your testimony?

2 A My notes are somewhat out of order here,
3 but section 9 of the AFC, AFC appendix 9, data
4 request numbers 19 through 25, and comments on the
5 PSA filed August 19th.

6 Q Does that also include the data adequacy
7 responses?

8 A Yes, it does.

9 Q Okay, thank you. Were these documents
10 prepared either by you or at your direction?

11 A They were.

12 Q And based upon your review of the
13 testimony are the facts true to the best of your
14 knowledge?

15 A They are.

16 Q Any changes or corrections to your
17 testimony?

18 A I have no changes.

19 Q And you adopt this as your testimony?

20 A Yes.

21 Q Have you had an opportunity to review
22 the final staff assessment on this issue?

23 A I have.

24 Q There are no conditions of certification
25 associated with this, but have you had an

1 opportunity to review the staff assessment and the
2 facts presented there?

3 A Yes, I have.

4 Q And have you reviewed the conclusions
5 drawn by the staff, as well?

6 A Yes, I have.

7 Q And do you agree with those conclusions?

8 A I agree with the conclusions.

9 MR. HARRIS: At this point I'd like to
10 move those documents into evidence. I think we
11 may have done most of these, but I think I might
12 have missed one, actually, so if you don't mind,
13 Susan.

14 Section 9 of the AFC we've already dealt
15 with, it's part of exhibit 2. Data adequacy
16 responses are exhibit 3, and I think I may have
17 missed that last time. AFC appendix 9, of course,
18 is exhibit 2. Responses to CEC data requests
19 numbers 19 through 25 is exhibit 6, and if it's
20 appropriate, we should have all of exhibit 6
21 entered into evidence. And the comments on the
22 PSA again are exhibit number 18.

23 So to the extent it's not redundant I'd
24 ask those be added to the record.

25 HEARING OFFICER GEFTER: Any objection

1 from staff?

2 MR. RATLIFF: No.

3 HEARING OFFICER GEFTER: Is CURE on the
4 phone? CAP-IT? Anyone else on the phone? Okay.

5 Without objection, we already have
6 exhibit 18 already received into evidence, and I
7 believe we had portions of exhibit 6, and you're
8 now moving the entire exhibit 6?

9 MR. HARRIS: We may as well, if that's
10 okay with you.

11 HEARING OFFICER GEFTER: All right, is
12 there any objection to the entire exhibit 6 going
13 into the record?

14 MR. RATLIFF: No.

15 HEARING OFFICER GEFTER: No, okay. So
16 we'll receive exhibit 6, as well. With respect to
17 exhibit 3, responses to the data adequacy
18 concerns. Are these just portions of exhibit 3
19 that we're talking about right now?

20 MR. HARRIS: If it's appropriate we'd
21 like to move the entire document in.

22 HEARING OFFICER GEFTER: Is there any
23 objection from staff?

24 MR. RATLIFF: No.

25 HEARING OFFICER GEFTER: Okay, if

1 there's no objection we'll receive exhibit 3, as
2 well.

3 (The above-referenced document,
4 previously marked Applicant exhibit
5 3 was received in evidence.)

6 HEARING OFFICER GEFTER: So, at this
7 point we have received exhibit 6 and exhibit 3 and
8 exhibit 18, and portions of exhibit 2. Thank you.

9 MR. HARRIS: I'd make the witness now
10 available for cross-examination.

11 HEARING OFFICER GEFTER: Does staff have
12 cross-examination of the witness?

13 MR. RATLIFF: No.

14 HEARING OFFICER GEFTER: Is staff ready
15 to go forward with your witness?

16 MR. RATLIFF: Yes, the staff witness is
17 Steve Baker. He has been sworn.
18 Whereupon,

19 STEVE BAKER
20 was recalled as a witness herein and having been
21 previously duly sworn, was examined and testified
22 further as follows:

23 DIRECT EXAMINATION

24 BY MR. RATLIFF:

25 Q Mr. Baker, did you prepare the testimony

1 entitled power plant reliability?

2 A Yes, I did.

3 Q Do you have any changes to make in that
4 testimony?

5 A No.

6 Q Is it true and correct to the best of
7 your knowledge and belief?

8 A Yes.

9 Q Could you summarize it briefly?

10 A The Warren Alquist Act requires that we
11 examine power plant reliability. There are no
12 laws, ordinances, regulations or standards
13 applicable to this topic. And the applicant does
14 not propose to sell any specific reliability-
15 related services.

16 Staff's approach then is to simply
17 examine whether the project will exhibit a level
18 of reliability typical of other such power plants
19 in the utility system.

20 To insure such typical reliability the
21 project should be built and operated to typical
22 industry levels of quality control and design and
23 construction, equipment procurement and
24 installation, and plant maintenance. The Delta
25 Project will likely achieve such typical levels.

1 Further, the plant will be adequately
2 protected from natural hazards, such as earthquake
3 and flooding. And it will be served by adequately
4 reliable sources of fuel and water.

5 Staff proposes no conditions of
6 certification under this topic area.

7 Q Does that conclude your summary?

8 A It does.

9 HEARING OFFICER GEFTER: Does the
10 applicant have cross-examination of the witness?

11 MR. HARRIS: No questions.

12 HEARING OFFICER GEFTER: Is CURE on the
13 phone? Is CAP-IT on the phone?

14 I have a question.

15 EXAMINATION

16 HEARING OFFICER GEFTER: Regarding page
17 329 where you're talking about the quality
18 assurance/quality control program.

19 There's a paragraph of the FSA at page
20 329 which refers to conditions under the facility
21 design section of the AFC. And those are
22 conditions regarding the QA/QC program.

23 Can you identify those conditions?

24 THE WITNESS: I'm not referring here to
25 any specific conditions, rather to their totality.

1 All of the facility design conditions of
2 certification are aimed at insuring proper design,
3 design review, installation and construction
4 inspection in accordance with all the applicable
5 laws and standards.

6 In performing these acts of review and
7 insurance, we're insuring that the quality of the
8 project is as intended. And that, in itself, is
9 part of a quality assurance program.

10 HEARING OFFICER GEFTER: So staff does
11 not believe it's necessary to identify the
12 specific conditions regarding a quality assurance
13 program?

14 THE WITNESS: Well, as I said, basically
15 all 23 facility design conditions in their
16 totality accomplish or make sure that the ends and
17 goals of the quality assurance program are
18 achieved.

19 HEARING OFFICER GEFTER: On page 330,
20 there is a statement regarding the level of
21 redundancy of power plant equipment. You make a
22 statement that states, while some power plants
23 exhibit slightly greater levels of equipment
24 redundancy, you find this particular project to be
25 all right.

1 And I didn't know what you were
2 referring to when you talk about greater levels of
3 redundancy.

4 THE WITNESS: The applicant could have
5 proposed to put in more backup pumps and other
6 circuits, fluid circuits and such, to minimize the
7 possibility of having to reduce or shut down
8 output in case of an equipment failure.

9 But particularly because of the case
10 that they have three parallel combustion turbine
11 generator trains here, there's so much redundancy
12 in that, that it's perfectly understandable that
13 there's a slight less need of redundancy on the
14 auxiliary equipment in each of those individual
15 circuits.

16 HEARING OFFICER GEFTER: And the next
17 question, which may very well go to the applicant,
18 regarding the condensate pumps there was --
19 actually it's footnote 1 on page 330, and it says
20 that there will either be two condensing pumps or
21 three. And has applicant chosen or decided how
22 many pumps you'll have in the project?

23 It's a footnote on page 330.

24 MR. BUCHANAN: A preface, then I'll
25 attempt to answer your question directly.

1 The topic of redundancy and reliability
2 in power plants is one that we live with sort of
3 daily, it's part of our design process. There are
4 different philosophies on how to achieve that.
5 Clearly the objective with Delta and these types
6 of projects, given they're a market-based type of
7 facility, is to achieve the highest level of
8 redundancy that you can get economically.

9 So inside the plant we are looking at,
10 in all of these situations where we have boiler
11 feed pumps, condensate pumps, recirc pumps, all
12 those types of things, we look at redundancy in
13 terms of two 100 percent capacity, or 350, or in
14 some cases, 450, depending on the nature of the
15 service.

16 So, it is an issue that we pay much
17 attention to.

18 In the case specific to the condensate
19 pumps, I believe that our current design reflects
20 two 100 percent capacity condensate pumps.

21 HEARING OFFICER GEFTER: Okay. Does
22 staff have any redirect of your witness?

23 MR. RATLIFF: No.

24 HEARING OFFICER GEFTER: Does the
25 applicant have any recross?

1 MR. HARRIS: Just briefly.

2 RECROSS-EXAMINATION

3 BY MR. HARRIS:

4 Q Steve, you mentioned that some power
5 plants have more redundancy. My question is, has
6 this power plant been designed to meet or exceed I
7 guess the industry standards here?

8 A Yes, it has.

9 Q Okay, so it's not the highest in the
10 industry, but it does meet the industry standards?

11 A Well, it could be one of the highest in
12 the industry, as I mentioned, any lack of
13 redundancy in any particular piece of equipment is
14 more than compensated for by the multiple trains
15 in this three-on-one combined cycle.

16 Q And the bottomline is the efficiency --
17 the reliability is where you think it ought to be?

18 A Oh, absolutely, yes.

19 Q Thank you.

20 HEARING OFFICER GEFTER: The witness may
21 be excused. And we'll go on to the next topic,
22 which is power plant efficiency.

23 Is the applicant ready on that topic?

24 MR. HARRIS: Yes, we are. You may see a
25 trend here.

1 Whereupon,

2 DOUGLAS BUCHANAN

3 was recalled as a witness herein and having been
4 previously duly sworn, was examined and testified
5 further as follows:

6 DIRECT EXAMINATION

7 BY MR. HARRIS:

8 Q Would you go ahead and state your name
9 for the record, please.

10 A Douglas Buchanan.

11 Q And which subject matter are you here to
12 sponsor now?

13 A Power plant efficiency.

14 Q And specifically which documents are
15 sponsored as part of your testimony?

16 A As I stated previously, specifically
17 this was section 9 of the AFC and the related data
18 adequacy responses, the AFC appendix number 9,
19 data request numbers 19 through 25, and our
20 comments to the PSA which were filed on August
21 19th.

22 Q And again these documents were either
23 prepared by you or at your direction, is that
24 correct?

25 A That is correct.

1 Q And based upon your review of the
2 testimony are the facts true to the best of your
3 knowledge?

4 A They are.

5 Q And do you have any changes or
6 corrections to offer to your testimony?

7 A I have no changes or corrections.

8 Q And you do adopt this at this time as
9 your testimony?

10 A I adopt this testimony.

11 Q In terms of conditions of certification
12 there are none for this particular section, but
13 have you had a chance to review the FSA discussion
14 of power plant efficiency?

15 A Yes, I have.

16 Q And you reviewed the factual matters in
17 that document?

18 A I have.

19 Q And you reviewed the conclusions of
20 staff?

21 A I have reviewed the conclusions.

22 Q And do you agree with those conclusions?

23 A Yes, I do.

24 MR. HARRIS: These documents are already
25 all in evidence, I believe, Susan, so I'd made the

1 witness available for cross-examination.

2 HEARING OFFICER GEFTER: Thank you, yes,
3 these documents have already been either
4 identified or admitted into evidence.

5 Does staff have any cross-examination of
6 the witness?

7 MR. RATLIFF: No.

8 HEARING OFFICER GEFTER: Is CURE on the
9 phone? Is CAP-IT on the phone? Is there any
10 other party on the phone?

11 All right, we're ready for staff to make
12 your presentation.

13 MR. RATLIFF: The staff witness is Steve
14 Baker.
15 Whereupon,

16 STEVE BAKER
17 was recalled as a witness herein and having been
18 previously duly sworn, was examined and testified
19 further as follows:

20 DIRECT EXAMINATION

21 BY MR. RATLIFF:

22 Q Mr. Baker, did you prepare the portion
23 of the staff FSA entitled power plant efficiency?

24 A I did.

25 Q Is it true and correct to the best of

1 your knowledge and belief?

2 A Yes.

3 Q Do you have any changes to make in it
4 today?

5 A No.

6 Q Could you summarize it briefly?

7 A The efficiency analysis examines whether
8 the project will likely present significant
9 adverse impacts on energy resources. In this case
10 natural gas fuel supplies.

11 Staff can conclude that no significant
12 adverse impacts will occur if there are no
13 feasible alternatives to the project that consume
14 substantially less fuel.

15 This can be concluded, in turn, if the
16 project is as efficient or nearly as efficient as
17 any feasible alternatives.

18 The Delta Project, consisting of a
19 three-on-one combined cycle, comprised of three
20 steam-injected Westinghouse 501F gas turbines, and
21 three heat recovery steam generators with duct
22 burners, and a steam turbine generator operating
23 on waste heat from the exhaust of the combustion
24 turbines will present one of the most efficiency
25 power plants possible.

1 Therefore there are really no feasible
2 alternatives that are significantly more efficient
3 and the project is therefore unlikely to exhibit
4 any adverse impacts on energy resources.

5 Q Could you tell us what the efficiency
6 level of the power plant is?

7 A The configuration plan is nominally
8 rated at about roughly 55 or 56 percent lower
9 heating value efficiency. The exact efficiency
10 will depend on exact site conditions, temperature,
11 air pressure, humidity at any one time.

12 But in general as a comparison this is
13 an extremely high efficiency figure. And it's not
14 exceeded anywhere in the industry.

15 Q Could you just, by comparison, is it
16 possible to compare it to say the existing plant
17 in Pittsburg, now owned by Southern, formerly
18 owned by PG&E? Do you have any idea what the
19 efficiency of that plant is?

20 A The efficiency of the ranking cycle
21 steam plant formerly known as the PG&E Contra
22 Costa Station, is probably in the realm of 35
23 percent, which is about 32 percent higher heating
24 value. This is a common figure for plants of that
25 vintage.

1 As you can see, the Delta Project is
2 well over one and a half times that efficient,
3 closing in on twice that efficient.

4 MR. RATLIFF: Thank you. The witness is
5 available.

6 HEARING OFFICER GEFTER: Does the
7 applicant have cross-examination?

8 MR. HARRIS: No questions.

9 EXAMINATION

10 HEARING OFFICER GEFTER: I have a
11 question, and you may not know the answer, but you
12 referred to the former PG&E plant in Pittsburgh
13 which is now owned by Southern. Is that plant
14 operating at this time?

15 THE WITNESS: I believe it is.

16 HEARING OFFICER GEFTER: Okay. And
17 you're estimating that it's a 35 percent
18 efficiency level. Is that based on previous
19 performance of that plant?

20 THE WITNESS: It's based on my
21 understanding of the rough era in which it was
22 built, and my knowledge of the efficiency of power
23 plants that were built at that time.

24 HEARING OFFICER GEFTER: Okay, thank
25 you. Does the Committee have any questions?

1 COMMISSIONER PERNELL: No.

2 HEARING OFFICER GEFTER: Okay, the
3 witness may be excused.

4 The next topic is transmission system
5 engineering. Is the applicant ready to proceed on
6 that topic?

7 MR. HARRIS: Yes, we are.

8 HEARING OFFICER GEFTER: Would you call
9 your witness.
10 Whereupon,

11 DOUGLAS BUCHANAN
12 was recalled as a witness herein and having been
13 previously duly sworn, was examined and testified
14 further as follows:

15 DIRECT EXAMINATION

16 BY MR. HARRIS:

17 Q Would you say your name for the record,
18 please?

19 A I'm Douglas Buchanan.

20 Q And what subject matter of testimony are
21 you here to sponsor?

22 A Transmission system engineering.

23 Q And which documents are sponsored as
24 part of your testimony?

25 A Specifically section 6.0 of the AFC,

1 responses to CEC data requests numbers 33, 34 and
2 35, PG&E power flow submitted to the CEC on
3 February 4, 1999, the PG&E detailed facility study
4 submitted to the CEC on March 25th, and the
5 California Independent System Operator comments to
6 that study filed on June 2nd.

7 And, let's see, two additional
8 references. The relocation of the transmission
9 line route filed on September 1st. This was a
10 minor adjustment to the route. And response to
11 the CEC's informal data requests which were filed
12 on May 14th.

13 And status report number 4 filed on July
14 22nd. There's also an EMF study which I believe
15 that to be more appropriate for the safety and
16 nuisance hearing, but we can refer to it now. EMF
17 study submitted to the CEC on July 2nd.

18 Q Were these documents either prepared by
19 your or at your direction?

20 A Yes, they were.

21 Q And based upon a review of your
22 testimony are these facts true to the best of your
23 knowledge?

24 A They are.

25 Q Do you have any corrections or changes

1 to your testimony?

2 A I do not.

3 Q And you adopt this as your testimony?

4 A I do adopt it.

5 Q Now, have you had a chance to review the
6 final staff assessment in this connection?

7 A Yes, I have.

8 Q And have you reviewed the conditions of
9 certification in the final staff assessment?

10 A Yes, I have.

11 Q Are those conditions of certification
12 acceptable to you?

13 A They are acceptable.

14 MR. HARRIS: At this time I would like
15 to move into evidence the documents referred to
16 here. We have some redundancy, so I'll try to
17 eliminate those.

18 Section 6 of the AFC is already in.
19 Actually, I'm not sure that's true.

20 THE WITNESS: No, it is not.

21 MR. HARRIS: No, --

22 HEARING OFFICER GEFTER: I believe you
23 moved section 6 earlier today. Yes. Well,
24 actually, no, I'm sorry, that was section 3 that
25 was in earlier, and section 5 I have.

1 MR. BUCHANAN: No, 6 I don't believe has
2 been.

3 HEARING OFFICER GEFTER: So, okay, so
4 you're identifying and moving sections 6?

5 MR. HARRIS: Correct, that's the first
6 one.

7 HEARING OFFICER GEFTER: All right.

8 MR. HARRIS: Responses to the data
9 requests has already been in, so we can skip that
10 one. The next one would be the PG&E power flow study
11 submitted on February 4th, that's item number 4,
12 exhibit number 4 on the list. I would move that
13 into evidence.

14 The fifth exhibit, PG&E's detailed
15 facility study for the Delta Energy Center Project
16 submitted on March 25th, item 5 on our exhibit
17 list, move that into evidence, as well.

18 The Independent System Operator comments
19 on the PG&E detailed facility study, which is
20 item, or exhibit 11 on our list. Relocation of
21 the segment of the transmission route filed on
22 September 1, 1999, which is exhibit number 19.

23 The response to the CEC informal data
24 request filed on May 14, 1999, which is exhibit
25 10.

1 The Calpine/Bechtel status report number
2 4 filed on July 22, 1999, which is number 16.

3 And I think we will go ahead and save
4 the EMF on for the hearing on the 13th.

5 So, those nonredundant items, I would
6 move those into evidence at this time.

7 HEARING OFFICER GEFTER: Okay. Is there
8 any objection from staff to any of those items?

9 MR. RATLIFF: No.

10 HEARING OFFICER GEFTER: Okay. The
11 exhibits that were enumerated by Mr. Harris are
12 received into evidence at this time.

13 And that would include exhibit 4,
14 exhibit 5, exhibit 11, exhibit 19, exhibit 10,
15 exhibit 16. I'm sorry they're out of order for
16 the reporter, but that's how they were listed by
17 the applicant. Exhibit 6 was previously admitted.

18 (The above-referenced documents,
19 previously marked Applicant
20 exhibits 4, 5, 10, 11, 16 and 19
21 were received in evidence.)

22 MR. HARRIS: We would make the witness
23 available for cross-examination.

24 HEARING OFFICER GEFTER: Is there any
25 cross-examination of the witness?

1 MR. RATLIFF: No.

2 HEARING OFFICER GEFTER: Okay. Is staff
3 ready to proceed with your witness?

4 MR. RATLIFF: Yes. Staff has its own
5 witness and is also sponsoring the witness of an
6 additional witness from the California Independent
7 System Operator, which I'll just call the ISO.

8 The staff witness is Mr. Al McCuen. The
9 ISO witness is Peter Mackin, who's with us at the
10 end of the table. If it's acceptable to you, what
11 I'll do first is have Mr. McCuen summarize his
12 testimony, and then we can do Mr. Mackin's
13 subsequently.

14 Whereupon,

15 AL MCCUEN

16 was recalled as a witness herein and, having been
17 previously duly sworn, was examined and testified
18 further as follows:

19 DIRECT EXAMINATION

20 BY MR. RATLIFF:

21 Q So, Mr. McCuen, did you prepare the
22 portion of the testimony in the FSA entitled
23 transmission system engineering?

24 A I did.

25 Q Is it true and correct to the best of

1 your knowledge and belief?

2 A Yes, it is.

3 Q Do you have any changes to make in it?

4 A Yes, I do.

5 Q Can you describe them?

6 A On page 347 -- well, hang on -- yes,
7 347, under the title outlet line, the last
8 sentence ending in DEC 1999 xxx-Paul? Please
9 delete the three x's, the dash, Paul and the
10 question mark; and insert an O, as in Oscar. It
11 would then read, DEC 1999O.

12 On page 351, it's not nearly as
13 embarrassing. In the first paragraph which ends
14 with what -- which has the sentence, FERC is
15 expected to rule, delete the words, is expected
16 to, change the word rule to ruled, delete the
17 period at the end of the sentence following 1999,
18 and insert the following: ", rejected -- and
19 directed the Cal ISO to reconvene a stakeholder
20 process, to redesign the interconnection policy."

21 Do you want me to read that again?

22 HEARING OFFICER GEFTER: Is that the
23 same language that occurs in the -- in Cal
24 ISO's --

25 MR. McCUEN: I can't hear you, Susan.

1 HEARING OFFICER GEFTER: Is that the
2 same language that occurs in the Cal ISO's
3 testimony?

4 MR. McCUEN: It is, yes.

5 HEARING OFFICER GEFTER: Then you don't
6 need to repeat it. I'll find it there.

7 THE WITNESS: That completes my changes.

8 BY MR. RATLIFF:

9 Q Would you summarize your testimony
10 briefly?

11 A Yes. I analyzed the power plant, power
12 plant switchyard, the outlet facilities which
13 consist of a double circuit 230 kV line, partially
14 overhead and partially underground, and evaluated
15 the transition facilities and ultimately the
16 termination facilities at the Pittsburgh
17 substation.

18 I concluded that those facilities will
19 comply with the laws, ordinances, regulations and
20 standards, assuming adoption of the staff's
21 recommended conditions of certification.

22 I also evaluated system reliability and
23 concluded that the applicable reliability criteria
24 will be met assuming adoption of the staff's
25 recommended conditions of certification.

1 That completes my summary.

2 MR. RATLIFF: Shall I continue with Mr.
3 Mackin at this point?

4 HEARING OFFICER GEFTER: Yes.

5 We need to swear the witness.

6 Whereupon,

7 R. PETER MACKIN

8 was called as a witness herein and after first
9 being duly sworn, was examined and testified as
10 follows:

11 DIRECT EXAMINATION

12 BY MR. RATLIFF:

13 Q Mr. Mackin, did you prepare the
14 testimony dated September 17, 1999 entitled
15 transmission system reliability, Delta Energy
16 Center, DEC interconnection?

17 A Yes, I did.

18 Q I should ask you, what is your position
19 at the ISO?

20 A I'm a grid planning engineer in the grid
21 planning department.

22 Q And you're authorized to testify here
23 today on behalf of the ISO, is that correct?

24 A Yes, I am.

25 Q Could you describe briefly, in case

1 anyone doesn't know, exactly what the ISO's duties
2 are with regard to the transmission system?

3 A Okay. The ISO is a state-chartered,
4 nonprofit public benefit corporation. And our
5 mission is to insure the reliability of the
6 electric transmission system and not in the entire
7 State of California, but the transmission system
8 of a former PTOs Pacific Gas and Electric Company,
9 San Diego Gas and Electric, and Southern
10 California Edison. And to also foster competition
11 in the electric generation market by allowing
12 nondiscriminatory access to the transmission grid.

13 HEARING OFFICER GEFTER: Let's go off
14 the record for one moment.

15 (Off the record.)

16 BY MR. RATLIFF:

17 Q Could you, Mr. Mackin, describe the
18 purpose of your testimony today?

19 A Okay, the purpose of my testimony is to
20 establish that the -- well, I guess to back up,
21 part of the responsibilities of the Cal ISO is to
22 insure that interconnections to the grid do not
23 degrade the reliability of the grid, and so my
24 purpose here today is to testify to the
25 interconnection of the Delta Energy Center to the

1 grid, and how that will impact reliability of the
2 grid.

3 Q Would you summarize your testimony for
4 us, please?

5 A Okay. My testimony basically I describe
6 the role of the ISO in planning the high voltage
7 transmission grid. I describe the applicable
8 reliability criteria and the ISO procedures that
9 apply to grid expansions and interconnections.

10 I describe the DEC project briefly. I
11 describe the applicant's preferred interconnection
12 to the ISO controlled grid. And I describe the
13 reliability impacts and congestion impacts from
14 the Delta Energy Center Project.

15 And I describe the scope of the analyses
16 performed by PG&E. And also provide background
17 information about, and the current status of, the
18 ISO's new generator interconnection policy, as it
19 pertains to generator interconnections.

20 And also describe some additional
21 studies that the ISO's requested from the
22 applicant before we can finally approve the
23 interconnection to the grid.

24 I have conclusions and recommendations
25 in my testimony. The conclusions are that there

1 are no over-stressed circuit breakers found in the
2 analysis that was performed by PG&E. And there
3 were 22 overloaded transmission lines, but those
4 transmission lines, the overloads were congestion
5 impacts, not reliability impacts. Therefore, the
6 Delta Energy Center would not be degrading the
7 reliability of the grid.

8 And also I have a recommended condition
9 of certification which basically is the same as
10 conditions of certification that Al McCuen has in
11 his testimony.

12 And that's it.

13 Q So your conclusion is that, if I can
14 restate it, is your conclusion that it would be
15 permissible for this project to interconnect with
16 the system with the mitigations that you've listed
17 in your analysis?

18 A Yes, it is.

19 Q On page 2 of your testimony under
20 conclusions and recommendations, you have a
21 sentence that states, if the actual parameters of
22 the DEC -- that's Delta Project -- differ
23 significantly from those used in the DFS,
24 additional facilities may be needed to reliably
25 interconnect the project to the ISO controlled

1 grid.

2 Can you tell us what those additional
3 facilities would be?

4 HEARING OFFICER GEFTER: Mr. Ratliff,
5 before we go forward with respect to the written
6 testimony, we need to identify that document. And
7 we have it in our exhibit list as exhibit 21,
8 which is the testimony --

9 MR. RATLIFF: Yes.

10 HEARING OFFICER GEFTER: -- submitted by
11 Mr. Mackin on behalf of the Cal ISO, dated
12 September 17th?

13 MR. RATLIFF: Yes.

14 HEARING OFFICER GEFTER: Okay, and
15 you're referring to, at page 2 of exhibit 21?

16 MR. RATLIFF: Yes.

17 HEARING OFFICER GEFTER: And where at
18 page 2?

19 MR. RATLIFF: It's in the first full
20 paragraph under conclusions and recommendations,
21 about mid-paragraph there is a sentence that
22 begins with "If", if the actual parameters of the
23 Delta Energy Center, DEC. And the testimony goes
24 on to state that additional facilities may be
25 needed to reliably interconnect the Delta Energy

1 Center.

2 I'm asking Mr. Mackin to clarify what he
3 means by additional facilities.

4 MR. MACKIN: Okay, what I mean is in the
5 fault analysis that was performed, there's a
6 possibility that a refined analysis would be
7 performed later on, could determine that
8 additional circuit breakers may need to be
9 replaced on the system in order to insure
10 reliability. All those circuit breakers, however,
11 would be within existing substations.

12 BY MR. RATLIFF:

13 Q So they're within existing substations.
14 Would you be led to conclude that that's probably
15 a very low environmental impact, if any impact at
16 all?

17 A Yes, I would.

18 MR. RATLIFF: I have no further
19 questions. The witnesses are available.

20 HEARING OFFICER GEFTER: Okay. Do you
21 move to submit exhibit 21 into the record?

22 MR. RATLIFF: Yes.

23 HEARING OFFICER GEFTER: Is there any
24 objection to exhibit 21 being received into
25 evidence?

1 MR. HARRIS: No objection.

2 HEARING OFFICER GEFTER: Okay. Exhibit
3 21 is now received into evidence.

4 (The above-referenced document,
5 previously marked CEC Staff/Cal-ISO
6 exhibit 21, was received in
7 evidence.)

8 HEARING OFFICER GEFTER: Is there any
9 cross-examination of either of staff's witnesses?

10 MR. HARRIS: We have a few questions;
11 I'll try to keep it brief.

12 CROSS-EXAMINATION

13 MR. HARRIS: Mr. McCuen, there are
14 obviously issues ongoing at the ISO related to the
15 new generator interconnection policy, and the FERC
16 has ruled on that, as you indicated in your
17 amended testimony.

18 And I guess I'm trying to get my hands
19 on whether this creates any unique issues for this
20 project, as opposed to other projects coming down
21 the line.

22 So, let me ask the question directly
23 then. Does the issues before the ISO have any
24 unique impact on this project different than it
25 will on any other project that comes on line

1 later?

2 MR. McCUEN: The impact on this project
3 can be different than other projects that have
4 come before us. It could be different for some
5 that could come later.

6 For this project FERC's rejection means,
7 although it was already moot, that this applicant
8 cannot identify the options that's available to
9 them during the pendency of this process.

10 In other cases there are instance where
11 we know that whether you applied ACCM or not, that
12 we don't have to worry about downstream
13 facilities. So there is that possible difference.

14 MR. HARRIS: But you're comfortable with
15 your testimony, given that recent change, that
16 we've met the LORS, essentially?

17 MR. McCUEN: Yes, I'm comfortable with
18 it. And prepared to proceed. Yes.

19 MR. HARRIS: Great, thank you. A couple
20 quick questions for Mr. Mackin, as well.

21 CROSS-EXAMINATION

22 MR. HARRIS: Would the Cal ISO see that
23 the DEC Project as beneficial in regards to the
24 ISO's responsibilities for reliability of energy
25 supply?

1 MR. MACKIN: Well, I guess the ISO, as
2 far as I know, is not responsibility for
3 reliability of energy supply. We're responsible
4 for liability of the grid and the transmission
5 system.

6 MR. HARRIS: I stand corrected. Yes,
7 and this is a better formulation of the question,
8 why don't you answer that one?

9 (Laughter.)

10 MR. MACKIN: Okay. I guess the answer
11 is that there's no detrimental impacts to the
12 Delta Energy Center. We don't -- I guess the
13 problem is we don't measure reliability on a scale
14 of 1 to 100. We just measure it on a scale of
15 does it meet the criteria or does it not. And the
16 Delta Energy Center meets the criteria, so it's
17 acceptable.

18 MR. HARRIS: Okay. During the recent
19 stage 1 and stage 2 that we went through recently,
20 would the Cal ISO's grid management
21 responsibilities benefitted from having the DEC
22 facility available?

23 MR. MACKIN: I guess the answer is when
24 there's a shortage of resources to serve the load,
25 any additional resources would be welcome and

1 beneficial.

2 MR. HARRIS: So, on the whole would it
3 have a positive or negative impact on reliability
4 of the grid to have this available to you?

5 MR. MACKIN: Well, again, as far as the
6 reliability of the grid I don't think it would
7 have had an impact. However, it would have had an
8 impact on our ability to serve the load. So it
9 would have had a beneficial impact on days when we
10 issue stage 2 alerts, it would have a benefit.

11 MR. HARRIS: And what about general
12 liability in the Bay Area? How would this project
13 affect that?

14 MR. MACKIN: Well, I guess in the Bay
15 Area, and this was just in a general sense, --

16 MR. HARRIS: Yes.

17 MR. MACKIN: -- in the Bay Area there is
18 more load than there is generation. And so the
19 excess is made up on the transmission ties. So if
20 you site more generation in the Bay Area you off-
21 load the transmission ties and so I guess the
22 conclusion you could make is it would help the
23 reliability of the Bay Area.

24 Although, again, as I said earlier, you
25 know, it meets the criteria with, it meets the

1 criteria without. So, you know, it's adequate
2 either way.

3 MR. HARRIS: Okay, no more questions.
4 Thank you.

5 HEARING OFFICER GEFTER: Does staff have
6 any redirect?

7 MR. RATLIFF: No.

8 HEARING OFFICER GEFTER: Does any
9 Committee Member have a question?

10 I do have a few questions.

11 EXAMINATION

12 HEARING OFFICER GEFTER: I wanted to go
13 back to Mr. McCuen's testimony regarding the
14 project, itself. There is some discussion at page
15 347 of the FSA regarding the circuit breakers in
16 the project switchyard.

17 And you describe them, there are 12
18 circuit breakers in a breaker and a half
19 arrangement. Would you explain what that means?

20 MR. McCUEN: I can only hear about 50
21 percent of you, I'm sorry.

22 HEARING OFFICER GEFTER: Okay, what do
23 you mean when you say there are 12 circuit
24 breakers in a breaker and a half arrangement?
25 It's at page 347.

1 MR. McCUEN: There are 12 circuit
2 breakers necessary to form that configuration.
3 And a breaker and a half configuration is
4 something engineers dreamt up to be esoteric.

5 HEARING OFFICER GEFTER: Thank you.

6 MR. McCUEN: It means basically that
7 there are portions that share a breaker.
8 Basically it's a very reliable scheme. That's
9 basically what's going on.

10 HEARING OFFICER GEFTER: Okay. It says
11 the overhead line is going to be on steel tubular
12 poles. What's the interval, how many poles will
13 there be? Was that information that you had?

14 MR. McCUEN: I don't know that we have
15 that.

16 HEARING OFFICER GEFTER: Okay, does the
17 applicant know the interval of poles?

18 MR. BUCHANAN: This is Doug Buchanan.
19 I'm going to qualify my response because it comes
20 from memory, and that is I believe that the
21 minimum throw between the poles will be about 110
22 feet, I think.

23 If it serves a purpose I can confirm and
24 relay that at another time.

25 HEARING OFFICER GEFTER: Or we can talk

1 about it in our testimony on -- when we hear
2 testimony on transmission line safety and
3 nuisance. In that topic you could bring us that
4 information.

5 MR. BUCHANAN: Thank you, I'll be
6 prepared to discuss the --

7 HEARING OFFICER GEFTER: Thank you.

8 MR. BUCHANAN: -- configuration at that
9 time.

10 HEARING OFFICER GEFTER: Right. Okay,
11 and then either staff or applicant, regarding the
12 underground line, is that going to be built in
13 coordination with construction of the PDEF
14 underground line, and how are those two lines
15 being coordinated?

16 MR. BUCHANAN: The situation is such
17 that it's now easier to coordinate that activity.
18 And as a minimum, the corridors where the two sets
19 of conductors basically are contiguous, 8th Street
20 basically. We would construct both at the same
21 time.

22 The other areas, the overhead and some
23 of the other underground might be constructed at a
24 later time. But we've committed both the City of
25 Pittsburg and we have a condition of certification

1 that we would effect construction of both sets of
2 circuits through the 8th Street corridor at the
3 same time.

4 HEARING OFFICER GEFTER: And what is the
5 relative location of the trenches, the Delta
6 Energy's and PDEF's trenches? How close together
7 are they, and how many trenches will be for each
8 project?

9 MR. BUCHANAN: It's easier for me to
10 speak to the Delta configuration, and I will
11 attempt to describe the PDEF configuration to the
12 best of my understanding.

13 The Delta configuration would be four
14 sets -- I'm sorry, would be four separate 10-inch
15 pipes of 10-inch diameter, buried about six feet.
16 A two-by-two configuration, so one trench would
17 have two pipes with approximately four foot apart.
18 And the pipes, again, would be buried about six
19 feet. There'd be a thermal soil overlay to that.

20 A second trench would be dug. Again,
21 same idea, two pipes in a four-foot trench. And
22 the outboard spacing of that is about 25 feet.

23 The PDEF configuration was a different
24 configuration. That was a duct bank. And to the
25 best of my knowledge, that duct bank will be on

1 the north side and/or in the street, the westbound
2 lane of 8th Street, in a double duct bank
3 configuration.

4 The spacing between the two sets of
5 conductors is currently about 15 feet, and that's
6 to accommodate the thermal spacing requirements.

7 So my answer is a qualified one.

8 MR. McCUEN: I might mention that there
9 is a figure that was provided by the applicant
10 that has both the configurations for Pittsburgh
11 District Energy Facilities and DEC. And so that
12 is available.

13 And my understanding is consistent with
14 what I just heard, from memory.

15 HEARING OFFICER GEFTER: Is that in the
16 AFC?

17 MR. McCUEN: No, that's a supplement
18 that was provided by the applicant.

19 MR. BUCHANAN: That's Paul Richins
20 indicating, and refreshing my memory, we had a
21 proposed configuration in status report 4 that
22 showed the -- is it 3 or 4, Paul?

23 MS. STRACHAN: It's 3 or 4.

24 MR. BUCHANAN: Three or 4. That showed
25 the proposed configuration of both projects in the

1 same corridor.

2 HEARING OFFICER GEFTER: Well, status
3 report 4 is exhibit 16. I don't know if status
4 report 3 is here. But we can look at it later.

5 We can move on and we can get a copy of
6 it later.

7 MR. BUCHANAN: Thank you.

8 HEARING OFFICER GEFTER: And if it's not
9 an exhibit, we can include it as an exhibit.

10 The question I have for Mr. Mackin is in
11 the ISO letter to the applicant, and also in your
12 testimony, it indicates that additional studies
13 will be conducted before the Cal ISO grants the
14 final interconnection agreement.

15 Could you explain what those studies
16 will be, and why they're necessary?

17 MR. MACKIN: Okay, there is the
18 applicable reliability criteria. When we look at
19 an interconnection to the grid, the
20 interconnection or the facility that's being
21 interconnected has to meet all of the applicable
22 reliability criteria.

23 But what we look at, we look at it sort
24 of in two stages, because there's a preliminary
25 study that is undertaken that will identify the

1 major facilities that might be required such as
2 transmission lines, or other large facilities.

3 And so those studies are the ones that
4 were already undertaken by Delta, or by PG&E for
5 Delta, and those studies indicated, you know, as
6 in my testimony, that there were no facilities
7 needed for reliability.

8 The additional studies that we're
9 looking at are additional contingencies that are
10 required under the criteria that are more
11 stringent, but they're less probable
12 contingencies, so therefore the mitigation
13 measures that can be applied are more I guess
14 they're more generous. You can even drop retail
15 load for some of these contingencies.

16 So therefore we don't envision that
17 these additional studies are going to identify any
18 new facilities that would need to be built. They
19 might identify operating procedures.

20 But before we can grant what we call
21 final interconnection approval we need to know,
22 you know, if there is something that happens on
23 the grid that would impact reliability. We need
24 to know what it is, and have the operating
25 procedure in place.

1 So that's kind of a process that we go
2 through.

3 HEARING OFFICER GEFTER: From your
4 perspective, do you believe this is going to be a
5 normal kind of procedure for other applicants, or
6 is it only specific to Delta?

7 MR. MACKIN: You mean the two-step
8 process?

9 HEARING OFFICER GEFTER: Yes.

10 MR. MACKIN: No, it's normal.

11 HEARING OFFICER GEFTER: Okay. And when
12 you say that there are no facilities needed for
13 reliability, does that mean no additional
14 facilities that the Delta Energy Center has to
15 build, or retrofit, or provide? Or are you
16 talking about facilities in terms of other energy
17 producing, or energy generating plants?

18 MR. MACKIN: The testimony only refers
19 to facilities that Delta might have to construct
20 or pay to have constructed.

21 HEARING OFFICER GEFTER: Okay, --

22 MR. MACKIN: There may be other
23 facilities required in other areas for
24 reliability, but they would not be Delta's
25 responsibility. Not caused by Delta.

1 HEARING OFFICER GEFTER: Right, so again
2 I'm going to ask the question regarding your
3 statement that no facilities are needed for
4 reliability. That means that the Delta Energy
5 Center is not required, according to Cal ISO, to
6 provide additional facilities after it is built in
7 order to maintain system reliability?

8 MR. MACKIN: That's what we've stated in
9 our preliminary approval. As I indicated earlier,
10 we have the additional studies. And one of the
11 additional studies is that, you know, we'd have to
12 do a refined fault analysis with I guess more
13 accurate data concerning -- or model data,
14 concerning the project.

15 And it's conceivable that the fault
16 study, the refined fault study may identify some
17 circuit breakers that need to be replaced.

18 So what we're saying right now is that
19 at this point there's been no identified
20 facilities, no facilities identified that are
21 needed. But there could be, based on the
22 additional studies.

23 HEARING OFFICER GEFTER: And if so, then
24 prior to issuing the interconnection agreement,
25 that information would be passed on to Delta

1 Energy and they would have to comply with that
2 requirement before you provided an interconnection
3 agreement, is that correct?

4 MR. MACKIN: Yes.

5 HEARING OFFICER GEFTER: Okay. The last
6 page of your testimony, page 7, you have a section
7 called recommended conditions of certification.

8 Does Cal ISO have additional conditions
9 other than those proposed by our staff?

10 MR. MACKIN: No.

11 HEARING OFFICER GEFTER: All right.
12 There's also a request about a revised short
13 circuit analysis. Is that part of the additional
14 studies that you're looking for?

15 MR. MACKIN: Right, and when I said fault
16 study, it's the same as a short circuit study.

17 HEARING OFFICER GEFTER: Okay. I wanted
18 to ask staff about the point of interconnection.
19 Is that the extent of staff's analysis, look at
20 the impacts at the point of interconnection?
21 We're not looking at downstream impacts?

22 MR. McCUEN: Yes, I did. Yes. There's
23 two spare breaker positions at the Pittsburgh
24 substation where the applicant would have to put
25 breakers. If it turns out that there are breakers

1 at Pittsburg substation that have to be changed
2 out, then the applicant would have to let us know
3 about that based on the studies.

4 HEARING OFFICER GEFTER: The additional
5 studies that would be done for Cal ISO?

6 MR. McCUEN: That's right, and those
7 studies, of course, if you adopt our conditions of
8 certification, those studies must be provided to
9 staff, also.

10 HEARING OFFICER GEFTER: All right. So
11 at this point you don't know if they have to
12 replace circuit breakers at the PG&E switchyard?

13 MR. McCUEN: At present it appears that
14 they do not have to.

15 HEARING OFFICER GEFTER: All right.

16 MR. McCUEN: Can only guess about what
17 would happen if they changed the impedances.
18 Basically we want to dot the i's and cross the t's
19 and make sure that it's reliable.

20 HEARING OFFICER GEFTER: Okay. And
21 what's the point of staff including a power flow
22 study? In your FSA at page 350. There was some
23 discussion there on page 350. Power flow study
24 results. What does that relate to in terms of
25 your final analysis?

1 MR. McCUEN: The power flow study
2 results are part of the interconnection study that
3 the staff analyzed, and that the Cal ISO analyzed.
4 And this is one part of a interconnection study.
5 The interconnection study has power flow analysis,
6 short circuit, stability and maybe some other
7 things. Possibly -- well, I'll leave it at that.
8 That's the three basic areas.

9 HEARING OFFICER GEFTER: Okay. And so
10 what was the conclusions that staff drew from that
11 study?

12 MR. McCUEN: The conclusion is that can
13 be connected to the Pittsburg substation in
14 accordance with the WSCC North American Electrical
15 Liability and Cal ISO criteria.

16 HEARING OFFICER GEFTER: Okay. And then
17 if the proposed conditions on the verification for
18 TSE1 there is some language that was confusing,
19 and I just wanted to get some clarification there.

20 On page 356 in the verification section
21 there is a statement in parentheses, it says --
22 it's right after the interconnection agreement,
23 then it says, in parentheses, if either one are
24 not otherwise provided to the Commission. I'm not
25 sure what that means.

1 MR. McCUEN: As a practical matter for
2 this case and for others, I anticipate that the
3 staff will already have seen, call it the revised
4 or additional studies that are done in the
5 detailed facility study.

6 I'm simply reflecting here that if we
7 had seen those that the applicant would know not
8 to have to supply them during the compliance
9 stage.

10 HEARING OFFICER GEFTER: All right. So
11 the applicant would understand what that means?

12 MR. McCUEN: Yes.

13 HEARING OFFICER GEFTER: All right. And
14 then also on the verification for TSE3 on page
15 357, the verification states within 60 days after
16 synchronization of the project, what does that
17 mean?

18 MR. McCUEN: Synchronization is where
19 the project is spun up on line and matched with
20 the system. Basically it is matched or
21 synchronized with the existing system.

22 HEARING OFFICER GEFTER: Do you have any
23 redirect for your witness?

24 MR. RATLIFF: No.

25 HEARING OFFICER GEFTER: Does applicant

1 have any recross?

2 MR. HARRIS: No.

3 HEARING OFFICER GEFTER: All right, the
4 witnesses may be excused. Thank you.

5 We're going to go off the record for a
6 minute.

7 (Off the record.)

8 HEARING OFFICER GEFTER: The next topic
9 is geological and paleontological resources. Is
10 the applicant ready with their witness?

11 MR. HARRIS: Yes, we are.

12 Whereupon,

13 DOUGLAS BUCHANAN

14 was recalled as a witness herein and having been
15 previously duly sworn, was examined and testified
16 further as follows:

17 DIRECT EXAMINATION

18 BY MR. HARRIS:

19 Q Go ahead and state your name for the
20 record, please.

21 A Douglas Buchanan.

22 Q And the subject matter of your
23 testimony?

24 A This is geological hazards and
25 resources, and paleo, I believe, at the same time.

1 Q Okay. Specifically which documents are
2 you sponsoring as part of your testimony?

3 A Section 8.15 of the AFC and AFC appendix
4 9B. One more, please, as soon as I find the
5 reference, as part of the paleontological
6 resources we're sponsoring section 8.16 of the
7 AFC, and AFC appendix 8.16-A.

8 Q And were these documents prepared by you
9 or at your direction?

10 A They were prepared at my direction.

11 Q And based upon your review of the
12 testimony are the facts true to the best of your
13 knowledge?

14 A They are true to the best of my
15 knowledge.

16 Q Do you have any corrections or changes
17 to your testimony?

18 A There are none.

19 Q Then you adopt this as your testimony?

20 A I adopt this as our testimony -- my
21 testimony.

22 Q I understand there may be some changes
23 to the conditions of certification, but we'll come
24 back after those are put forward, but let me ask
25 you, have you had a chance to review the final

1 staff assessment for these areas?

2 A I have.

3 Q And have you reviewed the conditions of
4 certification?

5 A Yes, I have.

6 Q And, again I understand there'll be some
7 changes to those conditions, but in their current
8 form in the final staff assessment, are those
9 conditions acceptable to you?

10 A They are acceptable in their current
11 form as noted in the FSA.

12 Q Okay.

13 MR. HARRIS: I'd like to move into
14 evidence the documents Mr. Buchanan has sponsored,
15 section 815 of the AFC, AFC appendix 9B, section
16 816, I believe -- make sure I got the number
17 correct -- excuse me, 816 of the AFC, and appendix
18 816A of the AFC, as well.

19 HEARING OFFICER GEFTER: Okay, what was
20 the second -- the appendix that followed section
21 815 of the AFC?

22 MR. HARRIS: Appendix 9B, I'm sorry, I
23 may have misstated that.

24 HEARING OFFICER GEFTER: Is there any
25 objection to admission of those documents into the

1 record?

2 MR. RATLIFF: No.

3 HEARING OFFICER GEFTER: Those documents
4 listed by Mr. Harris are now received into
5 evidence.

6 (The above-referenced documents,
7 previously marked Applicant
8 exhibits AFC Section 815, Section
9 816, Appendix 816A, Appendix 9B,
10 were received in evidence.)

11 MR. HARRIS: Thank you. We'd make the
12 witness available for cross-examination on those
13 issues.

14 HEARING OFFICER GEFTER: Does staff have
15 cross-examination?

16 MR. RATLIFF: No.

17 HEARING OFFICER GEFTER: All right.
18 Then we'll move on to staff's witness on this
19 topic.

20 MR. RATLIFF: Staff witness is Robert
21 Anderson.

22 HEARING OFFICER GEFTER: Okay, would the
23 witness please be sworn by the court reporter.

24 //

25 //

1 Whereupon,

2 ROBERT ANDERSON

3 was called as a witness herein and after first
4 being duly sworn, was examined and testified as
5 follows:

6 DIRECT EXAMINATION

7 BY MR. RATLIFF:

8 Q Mr. Anderson, did you prepare the
9 portion of the staff FSA entitled geology?

10 A Yes, I did.

11 Q Is it true and correct to the best of
12 your knowledge and belief?

13 A Yes, it is.

14 Q Does it include also consideration of
15 paleontological resources, as well as geology?

16 A Yes, it does.

17 Q Could you summarize your testimony
18 briefly?

19 A Yes. The testimony here under geology
20 is a combination of the two older sections in FSA
21 formats, geology and paleontological resources.
22 And what we have here is a site that's built on
23 alluvium and fuluvium near a slough that feeds the
24 San Joaquin River.

25 And that particular site has no geologic

1 hazards that are inherent that preclude the
2 development of the site proposed project or its
3 linear facilities.

4 There are no geological or paleontologic
5 resources at the site that would be a hindrance to
6 construction at the site or operation of the site,
7 either.

8 With the site that we have here there's
9 nine proposed conditions of certification, there's
10 two for geology and seven for paleontological
11 resources. Even though there is no
12 paleontological resources that have been found,
13 there is some within the vicinity of the area that
14 are considered significant. The change of finding
15 them are pretty low. So that's why we have
16 paleontological resource conditions of
17 certification at all for this particular site.

18 That concludes the summary.

19 Q Could you provide for the Committee your
20 position with the staff and your background?

21 A Yes. I am an associate engineering
22 geologist with the engineering office of the
23 California Energy Commission. And my particular
24 position here is to conduct an assessment for
25 geological resources, paleontological resources,

1 geological hazards, and surface water hydrology
2 for siting cases.

3 Q Are you a registered geologist?

4 A I'm a registered geologist and certified
5 engineering geologist with the State of
6 California.

7 MR. RATLIFF: I have no other questions.

8 HEARING OFFICER GEFTER: Thank you. Do
9 you have any cross of the witness?

10 MR. HARRIS: No, just a clarification.
11 I was confused on the conditions of certification.
12 They're unchanged is my understanding from the
13 FSA, and we can accept those conditions.

14 My apologies for confusing the subject.

15 HEARING OFFICER GEFTER: Any questions
16 from the Commissioners?

17 COMMISSIONER PERNELL: None.

18 EXAMINATION

19 PRESIDING MEMBER KEESE: Let me ask just
20 a general question here. Is the paleontological
21 consultant available if something's found? Or are
22 they located at the site when work is being done?

23 THE WITNESS: Dependent upon the
24 particular project, and this particular project
25 the paleontological resource specialist is on

1 call. He has a team of monitors that are trained
2 specifically to look for paleontological
3 resources. And so the actual paleontologist
4 that's in charge of that particular aspect of the
5 project may or may not be on the site at any one
6 time.

7 PRESIDING MEMBER KEESE: They would have
8 a monitor on site?

9 THE WITNESS: Yes. And that will be
10 based on what type of work that's being during the
11 construction period.

12 PRESIDING MEMBER KEESE: Do they develop
13 a plan for what they might do if they found
14 something?

15 THE WITNESS: Yes.

16 PRESIDING MEMBER KEESE: Is that usual
17 in a situation where you've already determined
18 that it's highly unlikely you find anything?

19 THE WITNESS: Yes. Because there are
20 formations within the area that have had found
21 significant paleontological resources. But at the
22 specific site and the linear facilities,
23 themselves, so far there has been nothing
24 discovered.

25 So what this basically is, is a

1 cautionary move to insure that if, in fact,
2 something is found of significance, there's a
3 mechanism in place to handle it in an expeditious
4 manner, not to hold up the project.

5 PRESIDING MEMBER KEESE: Okay, thank
6 you.

7 HEARING OFFICER GEFTER: On page 288 of
8 the FSA, there is a discussion about liquefaction.
9 And a statement that a geotechnical study will be
10 undertaken by the applicant. And the question is,
11 was this study completed, and will this affect the
12 seismic design analysis eventually? Does staff
13 have that answer, or can applicant answer that? I
14 believe the applicant can answer that.

15 MR. BUCHANAN: Yes, this is Doug
16 Buchanan. I can answer that question.

17 A year ago October we performed a -- I
18 guess November -- a detailed geological survey of
19 the site which included test bores to a depth of
20 100 feet in 36 separate locations on the site.
21 These were locations that were chosen to reflect
22 where major equipment is proposed to be placed.

23 That geological test program was
24 concluded by Bechtel Power Corporation and they
25 are designing the plant to a zone 4 seismic based

1 on the results of that geological investigation.

2 HEARING OFFICER GEFTER: The study that
3 is referred to in the FSA at page 288, it says a
4 follow-up study will help to find the lateral and
5 vertical extent of the potentially liquefiable
6 soils, et cetera.

7 Mr. Buchanan, are you referring to a
8 follow-up study, or are you referring to the
9 original study?

10 MR. BUCHANAN: This is staff's report
11 regarding the follow-up study.

12 The study that we performed we believe
13 to be quite comprehensive, to a significant depth,
14 at a large cross-section of the site. The results
15 of that show the site to be fairly consistent in
16 terms of its geological profile across the 36 test
17 holes.

18 And at this point we don't perceive
19 there to be a need for an additional follow-up
20 geotechnical investigation.

21 HEARING OFFICER GEFTER: Okay. With is
22 the applicant's response to that, would you delete
23 this section from your FSA testimony, or do you --
24 does staff believe that it's necessary to do a
25 follow-up study?

1 MR. ANDERSON: Can I talk to Mr. Ratliff
2 for a --

3 HEARING OFFICER GEFTER: Certainly.

4 (Pause.)

5 HEARING OFFICER GEFTER: While staff is
6 consulting, where is the copy of that study
7 located? Was that supplied to staff and is that
8 part of the record?

9 MR. BUCHANAN: A summary of that report
10 was included in the appendix of the AFC filing.

11 HEARING OFFICER GEFTER: All right.

12 MR. BUCHANAN: The actual full report, I
13 believe we'd be pleased to docket as soon as I can
14 pry it out of Bechtel Power. The operative word
15 is pry.

16 HEARING OFFICER GEFTER: All right. So
17 the summary is already submitted in the appendix
18 of the AFC?

19 MR. BUCHANAN: That is correct.

20 HEARING OFFICER GEFTER: Can you
21 identify where in the appendix?

22 MR. BUCHANAN: Let's check the testimony
23 here. 9B.

24 HEARING OFFICER GEFTER: All right.

25 MR. BUCHANAN: AFC appendix 9B.

1 HEARING OFFICER GEFTER: All right, and
2 that is, in fact, the section that was just
3 admitted into evidence, the basis of your
4 testimony?

5 MR. HARRIS: We're confirming that right
6 now by looking at the document, of all things.

7 HEARING OFFICER GEFTER: All right. Is
8 staff ready to answer the question regarding --

9 MR. ANDERSON: Yes.

10 HEARING OFFICER GEFTER: -- the follow-
11 up study.

12 MR. ANDERSON: What we'd like -- what my
13 understanding was of this particular report was
14 that we did have a summary of a geotech report
15 that was included in one of the appendices under
16 sections in section 9 of the appendices.

17 We reviewed it. It was a partial
18 report. We are still expecting to get the full
19 and final report sometime in the future. Since
20 this isn't specifically a final design level
21 review document, as the AFC, we were looking at
22 this as something to be designed before the final
23 design was to be done.

24 So, in effect, that the final geotech
25 report for the site would not be required by us

1 prior to us going along with the application for
2 certification to be approved.

3 So in other words, I wouldn't want to
4 hold anything up over it. But it still needs to
5 be something that we will need to see, either
6 through the CBO's office, or right now what we'd
7 love to see is the full and complete Bechtel
8 report. That might solve our concerns right then
9 and there after we have a chance to look at it.

10 HEARING OFFICER GEFTER: Okay. Would
11 the applicant provide that report to staff, and
12 also docket it so it could be circulated to the
13 parties?

14 MR. BUCHANAN: Yes, we will, if the
15 report exists, it's an administrative issue on our
16 part. We will make it available as soon as I
17 possibly can.

18 HEARING OFFICER GEFTER: All right. And
19 do any of the conditions that are proposed in this
20 section deal with that report?

21 MR. ANDERSON: Actually what I have is
22 in GEO1 and in GEO2, okay, is that there's an
23 engineering geology report that's required under
24 GEO2.

25 HEARING OFFICER GEFTER: Yes.

1 MR. ANDERSON: On page 291 of the FSA.
2 And so all we're looking at specifically is
3 whether or not the Bechtel report will suffice for
4 that specific condition of certification, should
5 the conditions of certification be adopted for
6 this particular project.

7 HEARING OFFICER GEFTER: All right. So
8 included in the engineering geology report would
9 be a geotechnical report on liquefaction, soil
10 liquefaction.

11 MR. ANDERSON: It can. It just really
12 depends on what Bechtel's report has all in it.

13 HEARING OFFICER GEFTER: All right,
14 well, then what we'll do is we'll leave this topic
15 open, we won't close the record on the topic of
16 geology. We will leave it open. And then at our
17 next hearing, which is October 13th, if both the
18 applicant and staff can indicate to the Committee
19 how you'd resolve this issue regarding a final
20 geotechnical report, so that we could close the
21 record on geology. And if necessary, add some
22 language to GEO2 regarding the report.

23 MR. ANDERSON: Okay.

24 HEARING OFFICER GEFTER: Is that
25 satisfactory to both parties?

1 MR. BUCHANAN: If I understand the
2 statement correctly, and as I re-read GEO2, the
3 depth of the report, the comprehensiveness of the
4 report that we did, I believe it's intended to
5 satisfy GEO2.

6 MR. ANDERSON: That would be fine if we
7 get it.

8 HEARING OFFICER GEFTER: All right.

9 MR. BUCHANAN: Acknowledged.

10 HEARING OFFICER GEFTER: Okay, let's go
11 forward and we will leave open the topic of
12 geology till October 13th, at which time the
13 parties will indicate to the Committee how you've
14 resolved this issue.

15 MR. ANDERSON: All right. I'd like to
16 make one clarification here. If you look in
17 geology 2 you'll notice that there are two
18 different geological reports required.

19 HEARING OFFICER GEFTER: Yes.

20 MR. ANDERSON: We're talking about the
21 first one on page 291, not the one under protocol
22 under the second paragraph, the final engineering
23 geology report --

24 HEARING OFFICER GEFTER: Right.

25 MR. ANDERSON: -- that would be done

1 after the completion of grading. So, that's to
2 come in the future.

3 HEARING OFFICER GEFTER: Understand
4 that. So you're talking --

5 MR. HARRIS: The applicant understands
6 that.

7 HEARING OFFICER GEFTER: Okay, thank
8 you.

9 MR. ANDERSON: Just making sure we're
10 all square.

11 HEARING OFFICER GEFTER: Good, thank
12 you. Okay, and also under GE01 it states prior to
13 the start of construction. But construction is
14 defined at PAL1, and I wanted to know whether that
15 was the same definition that you would use for
16 GE01?

17 MR. ANDERSON: Yes.

18 HEARING OFFICER GEFTER: Okay. So we
19 can modify the language in GE01 to include the
20 definition of construction that you have in PAL1?
21 Would that be acceptable?

22 MR. HARRIS: I think that's fine. We'll
23 take a look at it, sure.

24 We actually have a correction to the
25 appendices we referenced. We talked about 9B as

1 in boy.

2 HEARING OFFICER GEFTER: Yes.

3 MR. HARRIS: That's incorrect. And as I
4 look at my typewriter I see the B and the G are
5 right next to each other. The correction citation
6 is AFC appendix 9G, as in geology, I guess. So we
7 moved the wrong document. We should probably
8 correct that.

9 HEARING OFFICER GEFTER: Okay. So, the
10 record should reflect that the portion of exhibit
11 2 that we admitted under the topic of geology is
12 appendix 9G, as in George. And we would delete
13 appendix 9B from the record at this point in time.

14 (The above-referenced documents,
15 previously marked Applicant exhibit
16 2, appendix 9G, was received in
17 evidence.)

18 (The above-referenced documents,
19 Applicant exhibit 2, appendix 9B,
20 previously received in evidence was
21 deleted.)

22 MR. HARRIS: Thank you.

23 HEARING OFFICER GEFTER: Okay, staff,
24 with respect to using that definition then, that's
25 acceptable to you? That's what you would intend?

1 MR. RATLIFF: Yes.

2 HEARING OFFICER GEFTER: Okay. And that
3 seems to be all right with the applicant, yes?

4 MR. HARRIS: Yes, it is.

5 HEARING OFFICER GEFTER: Okay, fine.

6 MR. HARRIS: I guess we'll bring that
7 back when we come back on the 13th.

8 HEARING OFFICER GEFTER: Thank you. All
9 right. And then also with respect to GEO1 and
10 GEO2, there's a timeline in terms of
11 verifications, and I wanted to perhaps when you
12 bring this back to us, you could coordinate the
13 timelines, because at this point they seem to kind
14 of overlap, and it's a bit confusing in terms of
15 your verification when these reports are due.

16 There are a lot of timelines in here,
17 13, 30 days and then 15 days after submittal of
18 another document. I'd like to see it clearer, and
19 perhaps when you're talking to each other about
20 the conditions and the engineering geology report,
21 perhaps you can also clarify the timelines in
22 these two verifications, the GEO1 and GEO2.

23 MR. HARRIS: Let me be a little more
24 precise. We'll work with staff and we'll make
25 changes, and we'll make sure we're all on the same

1 page.

2 HEARING OFFICER GEFTER: That's what I'm
3 expecting, that the parties will work together --

4 MR. HARRIS: Thanks.

5 HEARING OFFICER GEFTER: -- on these two
6 conditions to come up with some proposed language
7 that is acceptable to all the parties.

8 And then on PAL5 with respect to the
9 paleontology responsibilities which I believe that
10 Chairman Keese went over that with you earlier in
11 this discussion.

12 This talks about the paleontology
13 resource specialist is responsible for a lot of
14 things, including preparation for curation. And
15 it doesn't indicate if, in fact, any kind of
16 resource is discovered where that might be
17 curated.

18 Is that something that is a possibility
19 that you might discover something and then it
20 needs to be curated? Is there some location where
21 the item would be finally lodged?

22 MR. ANDERSON: I'd like to make a
23 clarification here. And that is essentially that
24 the curation location at this point hasn't been
25 clearly identified.

1 And we weren't expecting it to be
2 identified at this stage of the game, either.

3 HEARING OFFICER GEFTER: All right.

4 MR. ANDERSON: So you'd be looking at
5 mitigation monitoring workplan would be possible
6 curation location should resources ever be
7 discovered that needs to be curated.

8 HEARING OFFICER GEFTER: That's fine,
9 thank you very much.

10 Does the staff have any redirect of your
11 witness?

12 MR. RATLIFF: No.

13 HEARING OFFICER GEFTER: Okay. Does the
14 application have any recross?

15 MR. HARRIS: No.

16 HEARING OFFICER GEFTER: The witness may
17 be excused, thank you.

18 MR. ANDERSON: Thank you.

19 HEARING OFFICER GEFTER: The next topic
20 is cultural resources. Is the applicant prepared
21 to go forward on that topic?

22 MR. HARRIS: Yes, we are.

23 Whereupon,

24 SUSAN STRACHAN

25 was recalled as a witness herein and having been

1 previously duly sworn, was examined and testified
2 further as follows:

3 DIRECT EXAMINATION

4 BY MR. HARRIS:

5 Q I will, at this point, ask the witness
6 to identify themselves -- or herself.

7 A Susan Strachan.

8 Q Thank you, Susan. What subject matter
9 is your testimony about today?

10 A Cultural resources.

11 Q And specifically which documents are you
12 sponsoring as part of your testimony?

13 A Section 8.3 of the application for
14 certification, AFC appendix 8.3-A and responses to
15 CEC data requests filed on March 31, 1999.

16 Q Were these documents prepared by you or
17 at your direction?

18 A They were prepared under my direction.

19 Q And based upon your review of the
20 testimony are the facts true to the best of your
21 knowledge?

22 A Yes.

23 Q Any changes or corrections for your
24 testimony?

25 A No.

1 Q And do you adopt this as your testimony?

2 A Yes, I do.

3 Q Okay. Have you had a chance to review
4 the final staff assessment?

5 A Yes, I have.

6 Q And you've reviewed the conditions of
7 certification?

8 A Yes, I have.

9 Q This is the item where I believe we have
10 some changes coming from staff, so I'll hold off
11 on asking you the question of will you accept
12 these until we've seen staff's proposed revisions
13 to those conditions.

14 MR. HARRIS: But I would like to move
15 the documents into evidence that we've talked
16 about, section 8.3 of the AFC, AFC appendix 8.3A,
17 and I believe the responses to the data requests
18 are already in evidence. So the first two items,
19 move those into evidence.

20 HEARING OFFICER GEFTER: Any objection?

21 MR. RATLIFF: No.

22 HEARING OFFICER GEFTER: Okay. Section
23 8.3 of the AFC and 8.3A-A appendix to the AFC,
24 part of exhibit 2, are now received into evidence.

25 //

1 (The above-referenced documents,
2 previously marked Applicant
3 exhibits AFC section 8.3 and
4 appendix 8.3A-A, were received in
5 evidence.)

6 MR. HARRIS: How would you like to
7 proceed here? I know we have some proposed
8 changes to the conditions of certification.
9 Should I keep the witness available and then have
10 her affirm that she will accept those now, or --

11 HEARING OFFICER GEFTER: Does the
12 witness have any direct testimony at this point?

13 MR. HARRIS: Nothing further.

14 HEARING OFFICER GEFTER: All right,
15 well, then why don't we go forth and find out what
16 staff changes are, and then we'll return to your
17 witness.

18 MR. HARRIS: Very good, thank you.

19 HEARING OFFICER GEFTER: Okay, if staff
20 would like to go forward with your direct
21 testimony of your witness.

22 MR. RATLIFF: Yes, I think the changes
23 that have been referred to are ones that I just
24 gave you the four copies, extra four copies that I
25 have of Mr. Walker's errata, which include those

1 changes.

2 HEARING OFFICER GEFTER: Okay, and this
3 is called errata to cultural resources testimony
4 of Gary D. Walker?

5 MR. RATLIFF: Yes.

6 HEARING OFFICER GEFTER: We'll identify
7 this as exhibit 24.

8 (The above-referenced document was
9 marked CEC Staff exhibit 24 for
10 identification.)

11 HEARING OFFICER GEFTER: Would the
12 witness please be sworn by the court reporter.
13 Whereupon,

14 GARY D. WALKER
15 was called as a witness herein and after first
16 being duly sworn, was examined and testified as
17 follows:

18 DIRECT EXAMINATION

19 BY MR. RATLIFF:

20 Q Mr. Walker, did you prepare the portion
21 of the staff's testimony titled cultural
22 resources?

23 A Yes, I did.

24 Q Is that testimony true and correct to
25 the best of your knowledge and belief?

1 A Yes, it is.

2 Q Do you have some changes that I just
3 handed out to the conditions, is that correct?

4 A Yes.

5 Q An errata. Can you summarize your
6 testimony, and then describe the changes and the
7 reasons for the changes in the errata?

8 A Yes. The proposed project area contains
9 cultural resources, the research done in archival
10 sources as well as surveys, found no cultural
11 resources that would be affected in the project
12 area, no known resources identified in any of the
13 surveys.

14 However, there still remains a potential
15 for some subsurface resources to be present.
16 Therefore, the applicant has proposed measures
17 which staff supports and expands upon in its
18 conditions of certification, to insure that if any
19 resources are found, that they will be properly
20 taken care of. Mitigation will occur if
21 monitoring finds any resources.

22 And therefore there should be no
23 significant impacts from the proposed project, and
24 it should comply with laws, ordinances,
25 regulations and standards.

1 The reasons for the errata is in
2 response to Energy Commission Staff's compliance
3 review of the final staff assessment and in an
4 attempt to streamline the compliance process,
5 conditions 7 and 8, CUL7 and CUL8, have been
6 revised to both strengthen the actual contents of
7 information available, but to reduce the amount of
8 paperwork necessary to be filed by the applicant
9 and reviewed by staff.

10 Q Does that complete your summary?

11 A Yes, it does.

12 Q Can you describe briefly your position
13 and duties as a staff witness?

14 A Yes, I'm an energy facility siting
15 planner with the Energy Commission, and I also
16 have a masters degree in archeology.

17 Q Thank you.

18 HEARING OFFICER GEFTER: Does the
19 applicant have any cross-examination of the
20 witness?

21 MR. HARRIS: No, we don't.

22 HEARING OFFICER GEFTER: Has the
23 applicant had a chance to look at exhibit 24?

24 MR. HARRIS: Yes.

25 //

1 REDIRECT EXAMINATION

2 BY MR. HARRIS:

3 Q If it's in order I'll return to Ms.
4 Strachan and ask her if she's had a chance to
5 review the conditions and the errata given to us
6 today?

7 A Yes, I have.

8 Q Do you find those conditions in the
9 errata acceptable?

10 A Yes, I do.

11 MR. HARRIS: That would be it.

12 HEARING OFFICER GEFTER: Okay. These
13 are the revised conditions CUL7 and CUL8 that
14 you're referring to?

15 MR. HARRIS: Correct.

16 MS. STRACHAN: Yes.

17 HEARING OFFICER GEFTER: Okay. With
18 respect to the other conditions, does the
19 applicant have any objection?

20 MS. STRACHAN: No objection.

21 HEARING OFFICER GEFTER: Okay. So all
22 of the proposed conditions contained in the
23 cultural resources testimony are acceptable to the
24 applicant?

25 MS. STRACHAN: Yes, they are, in

1 addition to the errata from today.

2 HEARING OFFICER GEFTER: I have a
3 question for the applicant.

4 EXAMINATION

5 HEARING OFFICER GEFTER: At page 225 of
6 the staff assessment, there's reference to the
7 Native American Heritage Commission. And in it
8 the staff has stated that the applicant is
9 awaiting a summary of results of consultations
10 with those on the contact list that was provided
11 by the NAHC.

12 The question is whether the applicant
13 has heard from any of those contacts.

14 MS. STRACHAN: To my knowledge at this
15 point we have not.

16 HEARING OFFICER GEFTER: All right. And
17 there's no indication of sacred properties within
18 the project area as far as you know?

19 MS. STRACHAN: No.

20 HEARING OFFICER GEFTER: With respect to
21 the changes to CUL7 and CUL8, as you indicated the
22 intent is to simplify the process, Mr. Walker,
23 correct?

24 MR. WALKER: Yes, simplify, but also to,
25 for instance the beginning of number 7, we added,

1 prior to the start of construction, so that we
2 would get, and also the specialist would get, the
3 map and indication of where activities would
4 occur, so that we sort of have information before
5 any action takes place.

6 HEARING OFFICER GEFTER: All right.

7 MR. WALKER: So that was that
8 modification. And the other ones are mostly
9 either to simplify the wording. We took out the
10 requirement that the weekly submittal be to the
11 compliance manager and put it just into a monthly
12 compliance report.

13 And for number 8, we also added in that
14 delegated monitors could also keep the log, not
15 just the specialist. It gives more flexibility to
16 the applicant. And we again took out the section
17 requiring weekly summary reports be submitted and
18 put in the section in the verification that upon
19 request by the CPM, the owner shall provide
20 specified summaries to this, again.

21 HEARING OFFICER GEFTER: Where you say
22 at CUL7 prior to the start of construction, is
23 there a definition what this refers to?

24 MR. WALKER: Yes, it goes back to
25 Cultural number 1.

1 HEARING OFFICER GEFTER: All right.

2 Okay, that's fine.

3 MR. WALKER: All right.

4 HEARING OFFICER GEFTER: One of the
5 things that was rather confusing was the timeline
6 for choosing the cultural resource specialist,
7 because it says 90 days the project owner shall
8 submit the name.

9 And then shortly thereafter that
10 particular individual has to start doing things.
11 Has to provide maps, and then has to provide a
12 monitoring plan within 60 days.

13 And my concern is in terms of the
14 feasibility of this timeline, and whether it would
15 be best to provide more time for this individual
16 to be chosen and then get to work. Because it
17 doesn't give much time for that to occur.

18 MR. WALKER: Right. Well, our
19 experience has been that 60 days is really needed
20 prior to the start of construction for the plan to
21 be provided and for the training program to be
22 submitted, so that's sort of a date that we don't
23 think could be moved forward any shorter time.

24 So, we, in fact, would -- it would be
25 desirable for a specialist to have more than 30

1 days to prepare these plans, however, typically
2 applicants don't want to do it any sooner than 90
3 days prior to start of construction.

4 And that's the reason that it isn't
5 longer than 90 days. If you might speak to the
6 applicant about the feasibility of extending it
7 to, say, maybe 120 days before construction.

8 HEARING OFFICER GEFTER: Would the
9 applicant have a problem with that timeline?

10 MS. STRACHAN: I don't think so. We're
11 in the process now of taking the proposed permit
12 conditions and matching them up to the
13 construction schedule so that we know when we need
14 to get started.

15 I think though, based on when we intend
16 to start construction, moving it out farther we
17 would be needing to submit things prior to
18 certification of the project.

19 I have talked to the proposed compliance
20 project manager about that, and there was some
21 discussion about us doing that at our risk, with
22 the understanding that the project hasn't yet been
23 certified, yet the need to do that in order to
24 keep the project schedule on track.

25 HEARING OFFICER GEFTER: Well, perhaps

1 again in the next week or so before October 13th
2 the staff and the applicant can talk to each other
3 about a timeline that would be acceptable.
4 Perhaps you'd want to start your time after
5 certification if the project is certified. And
6 then you can set a date saying 10 days after
7 certification or 30 days after certification,
8 rather than 90 days before construction. Maybe
9 that would provide a little more time.

10 Again, I'm going to leave the topic of
11 cultural open for that limited purpose of the
12 parties coming to terms on a longer timeframe to
13 identify your cultural resources specialist. And
14 you can bring that information to us at our
15 October 13th hearing.

16 MR. WALKER: Point of clarification?

17 HEARING OFFICER GEFTER: Yes.

18 MR. WALKER: I'm not that familiar
19 exactly when the applicant plans to start
20 construction after certification right now. Is it
21 immediately after certification? I'm concerned
22 that there might not be time if you wait till
23 after certification to require some submittal --

24 HEARING OFFICER GEFTER: Well, again,
25 that can be discussed off the record between the

1 parties and you can come to us --

2 MR. WALKER: Okay.

3 HEARING OFFICER GEFTER: -- with some
4 sort of plan.

5 MR. WALKER: Okay.

6 HEARING OFFICER GEFTER: An acceptable
7 plan that we could live with, and bring it to us
8 October 13th. It may not be necessary for you to
9 attend the hearing if you could just speak to Mr.
10 Richins and he can bring the proposal to us.

11 MR. WALKER: Fine.

12 HEARING OFFICER GEFTER: But I think
13 that it's necessary for the applicant and the
14 staff to device a better timeline than what I see
15 in the conditions at this point.

16 MS. STRACHAN: That's fine.

17 MR. WALKER: Fine.

18 PRESIDING MEMBER KEESE: Well, may I ask
19 this type of question. It seems to me that, both
20 the paleontological and this area, the risk is all
21 on the applicant. Discovery of a resource, I
22 concur completely in all the requirements and what
23 happens if there's a discovery of a resource.

24 But should the applicant not be prepared
25 to handle that immediately by having personnel

1 retained and a plan and be ready to go, the
2 problem is on the applicant who will be delayed.

3 And I just -- if that's right, that the
4 risk is all on the applicant, is there a need for
5 us in all of these areas, to specify very specific
6 timelines, or wouldn't the applicant, being at
7 risk, be the one who wants to make sure that all
8 the plans are in place?

9 I just wonder about us putting a rigid
10 structure, is it necessary to put a rigid
11 structure on something where if they're not ready
12 they're in trouble.

13 MR. WALKER: Well, part of the reason
14 that we need pre-find requirements is that part of
15 finding the resources entails having a qualified
16 person monitoring to find it.

17 PRESIDING MEMBER KEESE: So you need a
18 plan that the monitor can --

19 MR. WALKER: Yes.

20 PRESIDING MEMBER KEESE: -- be
21 following?

22 MR. WALKER: Yes, you need the monitor
23 to be reviewed and found to be professionally
24 acceptable. And for them to prepare a plan for
25 the monitoring, itself. And then what to do after

1 something is found, if something is found.

2 PRESIDING MEMBER KEESE: I don't mean to
3 be controversial here, since neither party is
4 really objecting to this, but I'm trying to -- I
5 think I'd like to see into our whole process as
6 much flexibility introduced as we can, while
7 achieving the purposes that you're trying to
8 achieve.

9 That would be my only comment.

10 MR. WALKER: Okay, --

11 PRESIDING MEMBER KEESE: And I thought
12 that today's amendment seemed to go that
13 direction.

14 MR. WALKER: It does.

15 PRESIDING MEMBER KEESE: Thank you.

16 HEARING OFFICER GEFTER: Does the
17 applicant have any more cross-examination of the
18 witness?

19 MR. HARRIS: No.

20 HEARING OFFICER GEFTER: Does staff have
21 any redirect?

22 MR. RATLIFF: No.

23 HEARING OFFICER GEFTER: All right, with
24 the understanding that the parties will return to
25 us on October 13th with a timeline for hiring the

1 cultural resources -- qualified cultural resources
2 specialist, this witness may be excused.

3 The next topic is compliance and
4 closure.

5 MR. HARRIS: We're ready to proceed.
6 Whereupon,

7 SUSAN STRACHAN
8 was recalled as a witness herein and having been
9 previously duly sworn, was examined and testified
10 further as follows:

11 DIRECT EXAMINATION

12 BY MR. HARRIS:

13 Q I'll ask the witness to identify
14 themselves.

15 A Susan Strachan.

16 Q And what subject matter is your
17 testimony about?

18 A Compliance monitoring and facility
19 closure.

20 Q Specifically which documents are
21 sponsored as part of your testimony?

22 A Section 4.0 of the AFC, which is
23 facility closure.

24 Q Was this document prepared either by you
25 or at your direction?

1 A It was prepared by myself.

2 Q And based upon your review of the
3 testimony are the facts true to the best of your
4 knowledge?

5 A Yes, they are.

6 Q Any changes or corrections to your
7 testimony?

8 A No.

9 Q And do you adopt this as your testimony?

10 A Yes, I do.

11 Q You've had a chance to review the FSA?

12 A Yes, I have.

13 Q And you reviewed the general conditions
14 of certification?

15 A Yes, I have.

16 Q And do you find those conditions
17 acceptable?

18 A Yes, I do.

19 MR. HARRIS: At this point I would move
20 into evidence section 4.0 of the AFC.

21 HEARING OFFICER GEFTER: Is there any
22 objection?

23 MR. RATLIFF: No.

24 HEARING OFFICER GEFTER: Okay. Section
25 4.0 of the AFC is now received into evidence.

1 (The above-referenced document,
2 previously marked Applicant exhibit
3 AFC section 4.0, was received in
4 evidence.)

5 HEARING OFFICER GEFTER: While we're
6 talking about exhibits that have been identified,
7 exhibit 24 was identified under cultural
8 resources. Does staff want to move that into
9 evidence even though we're out of order here?

10 MR. RATLIFF: Yes, please. Thank you.

11 HEARING OFFICER GEFTER: Any objection
12 to exhibit 24? That was the errata submitted by
13 Gary Walker.

14 MR. HARRIS: No objections to that.

15 HEARING OFFICER GEFTER: This goes to
16 cultural resources, and it's out of order in terms
17 of the record, but we will admit it into evidence
18 at this time. So exhibit 24 is now received into
19 evidence.

20 (The above-referenced document,
21 previously marked CEC Staff exhibit
22 24, was received in evidence.)

23 HEARING OFFICER GEFTER: Okay, go
24 forward, please.

25 MR. HARRIS: Thank you. We will now

1 make the witness available for cross-examination.

2 HEARING OFFICER GEFTER: Does the staff
3 have any questions of the witness regarding
4 compliance?

5 MR. RATLIFF: No.

6 HEARING OFFICER GEFTER: Is staff
7 prepared with your witness to go forward?

8 MR. RATLIFF: Yes.

9 HEARING OFFICER GEFTER: If we could
10 have the witness sworn by the court reporter,
11 please.
12 Whereupon,

13 CHARLES NAJARIAN
14 was called as a witness herein and after first
15 being duly sworn, was examined and testified as
16 follows:

17 DIRECT EXAMINATION

18 BY MR. RATLIFF:

19 Q Mr. Najarian, I notice your name is not
20 on the FSA portion of the testimony called
21 compliance monitoring and facility closure. Was
22 this testimony prepared under your supervision?

23 A Yes, it was.

24 Q So you're familiar with the contents?

25 A Yes, I am.

1 Q Is it true and correct to the best of
2 your knowledge and belief?

3 A Yes.

4 Q Do you have any changes to make?

5 A Yes, I have several minor changes to
6 make.

7 HEARING OFFICER GEFTER: Okay, would the
8 witness please indicate your position on the staff
9 before you go forward with your testimony?

10 MR. NAJARIAN: I'm sorry?

11 HEARING OFFICER GEFTER: Indicate your
12 position on the staff.

13 MR. NAJARIAN: Yes, I'm the compliance
14 program manager in the energy facility siting and
15 environmental protection division.

16 HEARING OFFICER GEFTER: Thank you.

17 BY MR. RATLIFF:

18 Q Do you want to briefly go through the
19 changes in your testimony?

20 A Yes. The first change is on page 378,
21 it's item number 8 on that page, having to do with
22 the monthly compliance report for construction
23 activities.

24 And we'd like to add a sentence onto
25 number 8 which reads, the project owner shall

1 notify the CPM of any major changes that would
2 affect the timely compliance with the conditions
3 of certification within 48 hours.

4 The reason for this change is that there
5 may be situations between monthly compliance
6 reports where a major change may occur. And this
7 essentially requires that the project owner
8 contact the compliance project manager and notify
9 them at that point.

10 HEARING OFFICER GEFTER: What is your
11 definition of major change?

12 THE WITNESS: Well, I think that, you
13 know, that's sort of a term of art. I think that
14 on a daily basis, in fact, at least on a weekly
15 basis there's communication between the CPM and
16 the project owner, so I don't think there should
17 be an issue associated with what's major or not in
18 that regard.

19 HEARING OFFICER GEFTER: Would you care
20 to give us a definition of what major might
21 entail, as compared with a minor change that
22 wouldn't require a 48-hour notice?

23 THE WITNESS: Well, an example might be
24 substantial changes in timing to a construction
25 schedule. That might be considered a major

1 change.

2 HEARING OFFICER GEFTER: Does the
3 applicant have any objection to the proposed
4 change to number 8 on page 378?

5 MS. STRACHAN: No, and I concur with the
6 witness that there is typically ongoing discussion
7 between the project owner and the compliance
8 manager, so that the definition isn't an issue.

9 HEARING OFFICER GEFTER: From my
10 perspective I'd like to see some sort of standard
11 or a definition for what major means, because I
12 can anticipate that even though at this point in
13 time in 1999 the project owner and the staff are
14 in communication and maybe communication with the
15 CPM over the next few years, year five or year ten
16 you may have different people. And I think that
17 we might come up with some sort of language which
18 isn't too limiting, but does give a definition to
19 what you have in mind. So if you can --

20 MR. HARRIS: Can we make --

21 HEARING OFFICER GEFTER: -- craft some
22 language for us to define major change, that would
23 be helpful.

24 MR. HARRIS: Actually we were going to
25 suggest possibly just striking the word major, and

1 go with changes that affect the timely compliance
2 with conditions of certification. So that it
3 doesn't have the gradation there.

4 If we have something that's going to
5 affect our compliance we think that would work
6 fine.

7 HEARING OFFICER GEFTER: That sounds
8 fine. The Committee seems to be satisfied with
9 that. Just delete the word major.

10 THE WITNESS: Yes, that's acceptable to
11 staff.

12 HEARING OFFICER GEFTER: Thank you, all
13 right.

14 THE WITNESS: Okay, I'll continue. The
15 second change is on page 379, under the subsection
16 Department of Fish and Game filing fee.

17 Upon closer examination of the Fish and
18 Game code section we needed to make some changes
19 to that to make sure we were consistent with it.

20 We're proposing to strike the two
21 existing paragraphs, short paragraphs under that
22 section and replace it with the following
23 language: Pursuant to the provisions of Fish and
24 Game code section 711.4, the project owner shall
25 pay a filing fee in the amount of \$850. The

1 payment instrument shall be provided to the
2 Commission's project manager at the time of
3 certification and shall be made payable to the
4 California Department of Fish and Game.

5 The Commission's project manager will
6 submit the payment to the Office of Planning and
7 Research at the time of filing of the notice of
8 decision, pursuant to Public Resources Code
9 section 21080.5.

10 HEARING OFFICER GEFTER: Okay. The
11 notice of decision, are you referring to the
12 notice of the Commission decision in the --

13 THE WITNESS: That's correct.

14 HEARING OFFICER GEFTER: Okay, so that
15 would be the notice of availability of the
16 Commission's decision?

17 THE WITNESS: It's actually called
18 notice of decision, and it's filed with the office
19 of planning and research.

20 HEARING OFFICER GEFTER: All right.
21 Could you submit a copy of the language that you
22 just read to the Committee so we could use that.
23 And also I don't know if the applicant has seen
24 that language?

25 MS. STRACHAN: Yes, we have, and we

1 are -- it's acceptable to us.

2 HEARING OFFICER GEFTER: All right. If
3 you could give us a copy that would be helpful.

4 The applicant has no problem with the
5 proposed language change to that section that Mr.
6 Najarian just read?

7 MS. STRACHAN: That's correct, the
8 changes are acceptable.

9 HEARING OFFICER GEFTER: Okay. You may
10 proceed.

11 THE WITNESS: Would the Committee like
12 me to summarize my testimony at this time?

13 HEARING OFFICER GEFTER: Yes.

14 THE WITNESS: All right. This general
15 conditions section is a standardized section used
16 in all siting cases. Essentially it delineates
17 the roles and responsibilities of the staff and of
18 the project owner with regard to all post-
19 certification activities.

20 It addresses both construction and
21 operation. Ultimately the general conditions are
22 designed to insure that the project will be in
23 compliance with all terms and conditions of the
24 Commission decision for the life of the project.

25 The general conditions also address

1 facility closure, both planned and unexpected. In
2 this regard the general conditions require that
3 the closure of plant be submitted for Commission
4 approval 12 months prior to planned closure
5 activities.

6 The general conditions also require that
7 an on-site contingency plan addressing unexpected
8 closure be submitted for staff approval 60 days
9 prior to start of commercial operations.

10 The general conditions also address
11 noncompliance complaint procedures, procedures for
12 post-certification amendments to the decision, as
13 well.

14 HEARING OFFICER GEFTER: Does the
15 applicant have any cross-examination of the
16 witness?

17 MR. HARRIS: No.

18 HEARING OFFICER GEFTER: Does staff have
19 any redirect?

20 MR. RATLIFF: No.

21 HEARING OFFICER GEFTER: Do the
22 Committee Members have any questions?

23 The witness may be excused, thank you.

24 THE WITNESS: Thank you.

25 MR. HARRIS: Susan, do we want to move

1 that document in as an exhibit?

2 HEARING OFFICER GEFTER: Okay, --

3 MR. HARRIS: With the one change, the
4 deletion of the word major?

5 HEARING OFFICER GEFTER: All right, we
6 can identify that, proposed changes to compliance
7 and closure testimony submitted by Chuck Najarian.
8 We can mark that as exhibit 25.

9 (The above-referenced document was
10 marked CEC Staff exhibit 25 for
11 identification.)

12 MR. HARRIS: As modified.

13 HEARING OFFICER GEFTER: Okay, does the
14 staff want to move that into evidence?

15 MR. RATLIFF: The exhibit you're --

16 HEARING OFFICER GEFTER: Exhibit 25,
17 which are the language changes proposed by Mr.
18 Najarian --

19 MR. RATLIFF: Yes.

20 HEARING OFFICER GEFTER: -- to the
21 conditions under compliance and closure.

22 Okay, and it's a two-page document. It
23 has the proposed language change in number 8 on
24 page 6 of general conditions, and also language
25 change under Department of Fish and Game filing

1 fee on page 7 of the general conditions contained
2 in Mr. Najarian's testimony.

3 Okay, hearing no objection, exhibit 25
4 is now received into evidence.

5 (The above-referenced document,
6 previously marked CEC Staff exhibit
7 25, was received in evidence.)

8 HEARING OFFICER GEFTER: The next topic
9 is noise.
10 Whereupon,

11 SUSAN STRACHAN
12 was recalled as a witness herein and having been
13 previously duly sworn, was examined and testified
14 further as follows:

15 DIRECT EXAMINATION

16 BY MR. HARRIS:

17 Q I'd ask the witness to identify herself.

18 A Susan Strachan.

19 Q And what subject matter testimony are
20 you sponsoring?

21 A Noise.

22 Q Specifically which documents are
23 sponsored as part of your testimony?

24 A Section 8.5 of the AFC.

25 Q Was this document prepared either by you

1 or at your direction?

2 A At my direction.

3 Q And based upon your review of the
4 testimony, are facts true to the best of your
5 knowledge?

6 A Yes, they are.

7 Q Do you have any changes or corrections
8 to your testimony?

9 A No, I don't.

10 Q And do you adopt this as your testimony?

11 A Yes, I do.

12 Q Have you had a chance to review the
13 final staff assessment?

14 A Yes, I have.

15 Q And have you had a chance to take a look
16 at the conditions of certification?

17 A Yes, I have.

18 Q Do you find the conditions of
19 certification from the final staff assessment
20 acceptable?

21 A Yes, I do.

22 MR. HARRIS: At this point I would move
23 into evidence section 8.5 of the AFC.

24 HEARING OFFICER GEFTER: Are there any
25 objection?

1 MR. RATLIFF: No.

2 HEARING OFFICER GEFTER: Okay. Section
3 8.5 of the AFC, a portion of exhibit 2, is now
4 received into evidence.

5 (The above-referenced document,
6 previously marked Applicant exhibit
7 2, AFC section 8.5, was received in
8 evidence.)

9 MR. HARRIS: Thank you. And we'll make
10 the witness available for cross-examination.

11 HEARING OFFICER GEFTER: Does staff have
12 any cross-examination of the witness?

13 MR. RATLIFF: No.

14 HEARING OFFICER GEFTER: Is staff
15 prepared to go forward with your witness on noise?

16 MR. RATLIFF: Yes. Staff witness is Mr.
17 Baker, who has already been sworn.
18 Whereupon,

19 STEVE BAKER
20 was recalled as a witness herein and having been
21 previously duly sworn, was examined and testified
22 further as follows:

23 DIRECT EXAMINATION

24 BY MR. RATLIFF:

25 Q Mr. Baker, did you prepare the portion

1 of the staff FSA part entitled noise?

2 A Yes, I did.

3 Q Is that testimony true and correct to
4 the best of your knowledge and belief?

5 A Yes.

6 Q Do you have any changes to make to it?

7 A No.

8 Q Would you summarize it briefly?

9 A For the subject area of noise staff
10 determines whether the project will likely be
11 built and operated in accordance with all the
12 applicable laws, ordinances, regulations and
13 standards. And whether it will result in no
14 significant adverse noise impacts on sensitive
15 receptors that have not been mitigated to the
16 extent feasible.

17 The project will be designed to comply
18 with all applicable noise laws including the City
19 of Pittsburg and City of Antioch general plans.

20 To achieve this compliance the plant
21 will be designed, and the plant equipment
22 procured, to produce no more than allowable
23 amounts of noise.

24 Staff concludes that the project can and
25 will be designed and operated in accordance with

1 the applicable laws and proposes eight conditions
2 of certification to insure this compliance.

3 Q Does that conclude your summary?

4 A Yes, it does.

5 HEARING OFFICER GEFTER: Does applicant
6 have any cross-examination of the witness?

7 MR. HARRIS: No questions, thank you.

8 EXAMINATION

9 HEARING OFFICER GEFTER: At page 154 in
10 the AFC the testimony describes sensitive noise
11 receptors. And I was -- if either the applicant
12 or the staff could indicate to us the location of
13 those noise receptors on the map that you have for
14 us, exhibit 22, which is probably the map of the
15 facility and the linear facilities.

16 If you could indicate to us where these
17 receptors are located that would be helpful.

18 Mr. Buchanan is moving a map over for us
19 to look at. Okay.

20 MR. BUCHANAN: I can point and you can
21 identify it?

22 MS. STRACHAN: Oh, okay, that's fine.
23 You need to show Casa Medanos Apartments.

24 MR. BUCHANAN: Project site, Casa
25 Medanos Apartments.

1 HEARING OFFICER GEFTER: And the
2 distance between the site and the apartments?

3 MS. STRACHAN: The Casa Medanos
4 Apartments from the center of the site is
5 approximately 2300 feet.

6 The next one is the -- excuse me, Casa
7 Medanos Motel -- Hazel's Restaurant. And that's
8 just shy of a mile from the site. Just east of
9 Hazel's is on the east side of Summersville Road
10 are the Antioch residents. And those are
11 approximately a mile from the site.

12 And then just south of Highway 4 are the
13 Pittsburg residents. And those are approximately
14 a mile from the site.

15 HEARING OFFICER GEFTER: The residents
16 behind Hazel's, is that in Antioch or is that in
17 Pittsburg?

18 MS. STRACHAN: The residences at Hazel,
19 there's one house and it's in Antioch. But
20 Hazel's has a -- it's a restaurant with a -- I
21 think the chef stays at the house that's back
22 behind the restaurant. Zero commute time.

23 (Laughter.)

24 HEARING OFFICER GEFTER: All right.
25 With regard to the noise levels at Casa Medanos,

1 again the information that appears in the AFC --
2 I'm sorry, in the FSA reported by staff is
3 confusing in terms of what the lowest nighttime
4 noise level is. And I think the analysis is based
5 on the studies done by applicant.

6 So, if the applicant could explain to us
7 what you found regarding Casa Medanos. And the
8 second part of the question is apparently with the
9 project in place, the lowest nighttime background
10 level will be increased by 8 dba, rather than 5
11 dba which I understand to be the Pittsburgh noise
12 element requirement.

13 MS. STRACHAN: I think first to explain
14 I need to sort of set the stage or scene real
15 briefly on the location of Casa Medanos. It's a
16 motel but people live there on a long-term basis.
17 It's in a commercially zoned area, so it's not an
18 area zoned for residential housing.

19 It's just off of the Pittsburgh/Antioch
20 Highway, which is a heavily traveled highway. It
21 is also on -- which is on its immediate north
22 side. On its south side is a railroad and then
23 highway 4. So it's an area that's subjected to a
24 lot of noise.

25 The 25-hour noise survey that we did had

1 the lowest reading was at 46 db -- dba. However,
2 given all of the items that I mentioned in terms
3 of its location and the surrounding noise, instead
4 of focusing on designing the plant to a noise
5 level that was reflective of that lowest L90
6 reading of 46, we did an average of the lowest L90
7 readings.

8 However, we did exclude a two-hour time
9 period in the morning where you had heavy commute
10 traffic that could skew those numbers higher. So
11 that when you go by that average we did the 5 dba
12 increase off of that average to comply with the
13 CEC requirements.

14 However the 8 dba that you mentioned is
15 based on the 46, the lowest number.

16 HEARING OFFICER GEFTER: Well, what is
17 the ambient noise level at Casa Medanos in the
18 nighttime after you averaged out? What number did
19 you come up with?

20 MS. STRACHAN: Forty-eight.

21 HEARING OFFICER GEFTER: Forty-eight.

22 MS. STRACHAN: Um-hum.

23 HEARING OFFICER GEFTER: Okay. And so
24 what was the 46?

25 MS. STRACHAN: The 46 was the lowest, so

1 there was one time -- there was a time period when
2 we were doing our monitoring that we did get a low
3 reading of 46.

4 But given the amount of traffic and
5 noise that is in that area, we proposed to go with
6 an average of the lower L90 readings as opposed to
7 the lowest L90 reading.

8 HEARING OFFICER GEFTER: All right. And
9 noise table 1, which appears at the FSA, and I
10 believe also appears in the applicant's testimony,
11 it appears at page 154 of the FSA, in that you
12 indicate that the ambient noise background is 48
13 dba. That's the level at which you can then say
14 that the increase is only 5 dba?

15 MS. STRACHAN: That's correct.

16 HEARING OFFICER GEFTER: From the
17 project, all right.

18 MS. STRACHAN: Correct.

19 HEARING OFFICER GEFTER: And that falls
20 within the noise element, the Pittsburgh noise
21 element?

22 MS. STRACHAN: Correct.

23 HEARING OFFICER GEFTER: All right. Do
24 you know how many people are residents at the Casa
25 Medanos?

1 MS. STRACHAN: I believe it's 16, 12
2 or --

3 MR. HARRIS: Sixteen units.

4 MS. STRACHAN: Sixteen units.

5 HEARING OFFICER GEFTER: Has there been
6 contact between the applicant and those residents
7 to indicate to them that they plan to build the
8 project and whether there might be noise impacts?

9 MS. STRACHAN: Yes, they know that we've
10 been out there lots of times. They've seen the
11 monitors going up. And we've had -- there hasn't
12 been any concern expressed by the people that
13 we've come in contact with.

14 HEARING OFFICER GEFTER: You've actually
15 communicated with them --

16 MS. STRACHAN: Yeah, because we've spent
17 a lot of time out there on noise issues, visual
18 issues. And the people see us, and we visit with
19 them. And we've also done extensive public
20 notification that they were included in to tell
21 them about the project and ways that they could
22 get ahold of us or get more information on the
23 project.

24 HEARING OFFICER GEFTER: And that would
25 be included in your notification plan, that is

1 included in the conditions of certification?

2 MS. STRACHAN: Correct, that would be in
3 addition to the notification we did to let them
4 know about the proposal of the project.

5 HEARING OFFICER GEFTER: With respect to
6 construction noise, the City of Antioch allows
7 construction from 7:00 a.m. to 10:00 p.m. And it
8 indicates in the proposed conditions that
9 construction could occur between 7:00 a.m. and
10 10:00 p.m. on the linear facilities, as well as at
11 the site.

12 Is that the intent of the applicant, to
13 actually do construction activities till 10:00
14 p.m.?

15 MS. STRACHAN: That would be a
16 possibility, but obviously we would have to stay
17 within noise limits that are established.

18 HEARING OFFICER GEFTER: And then with
19 respect to steam blows, what month in the
20 construction schedule are you anticipating steam
21 blows to occur?

22 MS. STRACHAN: It will be in the
23 springtime.

24 HEARING OFFICER GEFTER: Would that be
25 month 22, or what month?

1 MS. STRACHAN: More 20.

2 HEARING OFFICER GEFTER: Month 20,
3 approximately month 20. Okay.

4 And there was some discussion about if
5 the applicant perhaps employing a new quieter
6 steam blow process that is described at page 152
7 of the FSA. What is the intent of the applicant
8 at this point?

9 Do you plan to employ that new process,
10 or do you intend to use the traditional steam blow
11 process?

12 MS. STRACHAN: Excuse me.

13 (Pause.)

14 MS. STRACHAN: At this point that
15 decision hasn't been made.

16 HEARING OFFICER GEFTER: Will that be
17 included in the facility design proposal that you
18 will develop after the project, you know, after --
19 later on in the project --

20 MS. STRACHAN: There's not a
21 requirement, but in compliance with the noise
22 conditions we need to let the Energy Commission
23 know which process we'll take so they know -- the
24 quiet blow process allows steam blows to occur on
25 a 24-hour basis. The traditional method with the

1 muffler does not. And we would need to let the
2 Commission know.

3 Also in the notification letter that has
4 to be sent out prior to the steam blows, we would
5 need to let the members of the public know what
6 the operation scenario will be on the steam blows.

7 HEARING OFFICER GEFTER: What is the
8 staff's position on the quiet steam blow? Is that
9 proposal acceptable to you to wait to hear back
10 from the applicant?

11 MR. BAKER: That was the intention. The
12 staff's testimony here in the FSA was crafted and
13 the conditions of certification were crafted to
14 allow either process. And staff has no desires to
15 force the applicant to make a decision
16 prematurely.

17 As far as we're concerned they can
18 decide at the last minute before commencing blows,
19 and it should not affect anything, because the
20 conditions of certification take both
21 eventualities into account.

22 HEARING OFFICER GEFTER: With respect to
23 the proposed Noise 1 condition, it says that the
24 telephone number will be operational for one year.
25 Why is it limited to one year? The telephone

1 number by which members of the public can call in
2 and indicate their concern about noise from the
3 project.

4 MR. BAKER: That's a specific phone
5 number with the number posted at the gate. It
6 seems reasonable to require it for that amount of
7 time. After that period of time, the project is
8 still there, there's a control room with a
9 telephone, people can look up the number and call
10 that.

11 But for the initial year during
12 construction and operation, we want to make it
13 even easier for people to access the project and
14 file any noise complaints or concerns.

15 HEARING OFFICER GEFTER: Is that
16 typically what a condition on noise would say?

17 MR. BAKER: That's our standard
18 condition, yes.

19 HEARING OFFICER GEFTER: That's your
20 standard noise condition.

21 Are there any questions from Committee
22 Members, Commissioners?

23 All right. Is there any redirect of
24 staff's witness?

25 MR. RATLIFF: No.

1 HEARING OFFICER GEFTER: Commissioner
2 Pernell has a question.

3 COMMISSIONER PERNELL: And this is in
4 regards to the phone, phone line for one year.
5 And it indicates that it would be an automatic
6 answering feature. Is that going to be checked
7 daily by the applicant?

8 MS. STRACHAN: Yes, yes, absolutely.

9 MR. BAKER: They're obligated to make
10 the process work, whether there's someone
11 answering the phone or an operational machine.
12 And in our compliance process we will periodically
13 monitor compliance with all these conditions.
14 Checking up on the noise complaint process is
15 something that we will do. We won't be calling
16 every day, but you know, we'll make sure that the
17 process is working and make sure that something
18 hasn't slipped through the crack. That's part of
19 our compliance procedure.

20 MS. STRACHAN: We're also required to
21 submit in the monthly compliance report any noise
22 complaints that we received for that month.

23 COMMISSIONER PERNELL: Right. I guess
24 my question is maybe to the applicant, then. Will
25 you be checking that machine daily rather than,

1 you know, somebody make a complaint on Monday
2 afternoon and you might not get it till Friday
3 unless you --

4 MS. STRACHAN: Absolutely. I mean,
5 realistically the phone number would be a line to
6 the site, because it certainly doesn't make sense
7 to have a separate phone line just for noise
8 complaints. So what, for example, I've done on
9 past projects is just listed the phone number of
10 the construction trailer, because it's filled with
11 live bodies there during the day. And then
12 checked every morning when people come back in to
13 work the next day.

14 COMMISSIONER PERNELL: Oh, I see, so
15 this won't be a dedicated line for the noise
16 complaint, but you'll have human bodies during the
17 day, and then at night you turn on your answering
18 machine?

19 MS. STRACHAN: Like a business office,
20 right, at a construction trailer.

21 COMMISSIONER PERNELL: Thank you.

22 HEARING OFFICER GEFTER: I believe Mr.
23 Harris had some recross?

24 MR. HARRIS: Briefly.

25 //

1 RECROSS-EXAMINATION

2 BY MR. HARRIS:

3 Q Steve, there are a couple questions in
4 the testimony that refers to the Casa Medanos
5 Apartments, and I think we subsequently learned
6 that it's actually a motel. And I just wanted to
7 know if that's your understanding, as well.

8 A Well, yes, it's an ancient motel,
9 appears to have been built in the early '50s
10 perhaps. It's really scenic actually, except it's
11 pretty run-down.

12 My understanding is that people do live
13 there on a long-term basis. So it's not just an
14 overnight motel. So we treat it as we would an
15 apartment building for purposes of noise.

16 Q Okay, thank you for that clarification.
17 Just briefly, as well. You reviewed the
18 methodology employed by the applicant here, is
19 that correct?

20 A Yes.

21 Q And you find that acceptable?

22 A Yes, I do.

23 MR. HARRIS: Okay, that's all, thank
24 you.

25 HEARING OFFICER GEFTER: If there are no

1 further questions of either witness, the witnesses
2 may be excused.

3 The next topic is traffic and
4 transportation. We're going to take a little
5 break right now, going to go off the record.

6 (Brief recess.)

7 HEARING OFFICER GEFTER: Okay, we're
8 back on the record. I want to check to find out
9 if any of the intervenors are calling us by
10 telephone.

11 Is CURE on the phone? Is CAP-IT? Is
12 there anyone else calling the hearing by
13 telephone? Okay, for the record none of the
14 intervenors have joined us by telephone, and they
15 have not been present this afternoon since we
16 reconvened at 1:00 p.m.

17 We're ready to proceed on the topic of
18 traffic and transportation. Is the applicant
19 ready with your witness?

20 MR. HARRIS: Yes, we are. We have a new
21 witness who will need to be sworn.

22 HEARING OFFICER GEFTER: The reporter
23 will swear the witness.

24 //

25 //

1 Whereupon,

2 JERRY P. SALAMY

3 was called as a witness herein and after first
4 being duly sworn, was examined and testified as
5 follows:

6 DIRECT EXAMINATION

7 BY MR. HARRIS:

8 Q Would you state your name for the
9 record, please?

10 A My name is Jerry Salamy.

11 Q And what subject matter will you be
12 presenting testimony on today?

13 A Traffic and transportation.

14 Q Specifically, which documents are you
15 going to sponsor as part of your testimony?

16 A Section 8.10 of the AFC.

17 Q And let me backtrack a little bit. Your
18 qualifications were included in the documents
19 served by the applicant, is that correct?

20 A Actually, no, they weren't.

21 MR. HARRIS: Then we will include those
22 in the record, as well.

23 HEARING OFFICER GEFTER: Well, ask the
24 witness to indicate his position and his expertise
25 on this topic.

1 MR. HARRIS: Okay.

2 THE WITNESS: I am a Project Manager
3 with CH2M Hill, a consultant firm. I have been
4 siting power plants for the last eight or nine
5 years. And have extensive experience in the
6 Energy Commission process, and have testified four
7 times in the past on power plant licensing cases,
8 as well as working on another three power plant
9 licensing projects.

10 MR. HARRIS: Okay, we'll move forward.

11 BY MR. HARRIS:

12 Q Were these documents prepared either by
13 you or at your direction?

14 A Under my direction.

15 Q And based upon your review of the
16 testimony, are the facts true to the best of your
17 knowledge?

18 A They are.

19 Q Do you have any changes or corrections
20 to your testimony?

21 A I do not at this time.

22 Q And do you adopt this as your testimony?

23 A Yes, I do.

24 Q And, again, you've had a chance to
25 review the final staff assessment?

1 A I have.

2 Q And you reviewed the conditions of
3 certification in the FSA, as well?

4 A Yes, I have.

5 MR. HARRIS: It's my understanding that
6 there's one proposed change to those conditions,
7 so we'll leave Mr. Salamy available, keep him
8 around and wait for the staff to present the
9 proposed changes, and have him affirm at that
10 point that they're acceptable.

11 HEARING OFFICER GEFTER: Okay.

12 MR. HARRIS: So I would like to move
13 into evidence, if I could, at this time, section
14 8.10 of the AFC.

15 HEARING OFFICER GEFTER: Is there any
16 objection?

17 MR. RATLIFF: No.

18 HEARING OFFICER GEFTER: Section 8.10 of
19 the AFC, which is a portion of exhibit 2, is
20 received into evidence at this time.

21 (The above-referenced documents,
22 previously marked Applicant exhibit
23 2, AFC section 8.10, was received
24 in evidence.)

25 HEARING OFFICER GEFTER: Have you

1 concluded the testimony of this witness?

2 MR. HARRIS: I have. We'll keep him
3 available.

4 HEARING OFFICER GEFTER: Okay, is there
5 cross-examination of the witness, staff?

6 MR. RATLIFF: Yes -- I have no cross-
7 examination, but we have a witness.

8 HEARING OFFICER GEFTER: Are you
9 prepared to go forward with your witness at this
10 time?

11 MR. RATLIFF: The witness is Dave
12 Flores; he needs to be sworn.

13 HEARING OFFICER GEFTER: Would the
14 reporter swear the witness, please.
15 Whereupon,

16 DAVID FLORES
17 was called as a witness herein and after first
18 being duly sworn, was examined and testified as
19 follows:

20 DIRECT EXAMINATION

21 BY MR. RATLIFF:

22 Q Mr. Flores, did you prepare the portion
23 of the staff FSA, part 1, titled traffic and
24 transportation?

25 A Yes, I did.

1 Q Do you have any changes to make in that
2 testimony?

3 A Yes, I do.

4 Q Could you tell us what they are, please?

5 HEARING OFFICER GEFTER: Before you go
6 forward could you indicate your position on the
7 staff?

8 THE WITNESS: My position is planner II
9 with the Commission.

10 HEARING OFFICER GEFTER: And what is
11 your expertise?

12 THE WITNESS: Currently I work on
13 various projects, traffic and transportation, land
14 use and also visual. Prior to coming to the
15 Commission I worked for the County of Yolo for
16 approximately ten years as a senior planner.

17 HEARING OFFICER GEFTER: Thank you.

18 THE WITNESS: Yes, under conditions of
19 certification, page 142, under TRANS6, these are
20 just points of clarification to the conditions.

21 Under protocol, the words, at least 30
22 days are to be struck. Essentially under
23 verifications, within 30 days of completion is
24 listed. And so it's just a matter of duplication.

25 Also, on page 143 under TRANS8, under

1 protocol, again at least 30 days prior to start of
2 construction is to be struck. As to verification,
3 under TRANS8 also lists at least 30 days.

4 On page 143 under TRANS9, under
5 protocol, approximately 30 days prior to start of
6 pipeline construction is to be struck. And under
7 verification the words to be added, approximately
8 30 days prior to construction.

9 That completes the corrections to the
10 document.

11 BY MR. RATLIFF:

12 Q With those changes, is your testimony
13 true and correct to the best of your knowledge and
14 belief?

15 A Yes, they are.

16 Q Can you summarize briefly?

17 A Yes. As indicated my responsibility is
18 traffic and transportation. Staff reviewed the
19 various LORS for the City of Pittsburg, also for
20 the City of Antioch. And also reviewed Caltrans
21 and also the Department of Motor Vehicles as to
22 making sure that this project is consistent with
23 the various circulation elements that are
24 discussed, and also staff reviewed the policies
25 that are established by the California Highway

1 Patrol, and also Caltrans as to requirements under
2 the hazardous materials section that staff
3 discussed in the staff report.

4 Also, as indicated in the report, staff
5 looked at the various circulation elements that
6 are established under the City of Pittsburg and
7 also the City of Antioch and Contra Costa.

8 As indicated in the report the large
9 equipment will be utilizing the railroad and also
10 the major highways will be utilized for truck and
11 transportation of those supplies.

12 As indicated in table 3 of the report,
13 there are three intersections which indicate
14 levels of service, will be at F, which are heavily
15 congested areas. As indicated in staff's analysis
16 under the conditions of certification,
17 specifically conditions number 4 and 7, staff
18 addresses mitigation which essentially addresses
19 the transportation hours, and also for workers to
20 come to the site, to alleviate that problem.

21 Other than that, staff feels that the
22 project is consistent with the various LORS that
23 have been established by the various
24 jurisdictions.

25 Q Does that conclude your testimony?

1 A Yes, it does.

2 HEARING OFFICER GEFTER: Is there any
3 cross-examination of the witness?

4 MR. HARRIS: I think we have some
5 suggested language on condition number 9, TRANS9.

6 HEARING OFFICER GEFTER: What page would
7 that be?

8 MR. HARRIS: It's on the suggested
9 changes that staff's put forth today.

10 HEARING OFFICER GEFTER: TRANS9.

11 MR. HARRIS: TRANS9, 143, actually the
12 verification on 144.

13 HEARING OFFICER GEFTER: Yes. What's
14 the language that you propose?

15 MS. STRACHAN: The condition pertains to
16 encroachment permits that are required by the City
17 of Antioch and City of Pittsburg for the gasoline
18 in the transmission line.

19 So rather than just simply specifying
20 approximately 30 days prior to construction, we'd
21 like it to clearly state construction of the gas
22 line and the transmission line since those
23 facilities may not be constructed at the same time
24 as say the site.

25 HEARING OFFICER GEFTER: Is there any

1 objection from staff on that change?

2 MR. RATLIFF: No.

3 HEARING OFFICER GEFTER: I have a
4 question about the language approximately 30 days.

5 EXAMINATION

6 HEARING OFFICER GEFTER: That leaves it
7 too open. It's either 30 days or it's 45 days.
8 Or there's a specific date certain. Is 30 days
9 acceptable?

10 MR. FLORES: Thirty days is acceptable.

11 HEARING OFFICER GEFTER: All right, so
12 we would just strike the approximately and just
13 say 30 days prior to.

14 Okay, so the new change to the
15 verification language is 30 days prior to
16 construction of the gas line and transmission line
17 the project's owner shall. All right.

18 MS. STRACHAN: That's fine, thank you.

19 HEARING OFFICER GEFTER: Go ahead.

20 MS. SHAPIRO: We're going to strike all
21 of the approximately 30 days and make them 30
22 days, it's not just in number 9? Where it says
23 approximately, the other changes that you made?
24 Is that what we're all agreeing to?

25 MS. STRACHAN: All the others are more

1 specific --

2 MS. SHAPIRO: Okay.

3 MS. STRACHAN: -- than stating within 30
4 days.

5 MS. SHAPIRO: All right.

6 MS. STRACHAN: Or at least 30 days.

7 MS. SHAPIRO: Okay.

8 HEARING OFFICER GEFTER: Thank you. Is
9 there any other -- do you have any other -- do you
10 have cross-examination or any redirect?

11 MR. HARRIS: Redirect.

12 REDIRECT EXAMINATION

13 BY MR. HARRIS:

14 Q Now that we have worked out the
15 conditions, I just want to confirm with the
16 witness, Mr. Salamy, that he's reviewed the
17 proposed conditions as modified this afternoon.

18 A I have.

19 Q And do you find them acceptable?

20 A Yes, I do.

21 MR. HARRIS: That would be it.

22 HEARING OFFICER GEFTER: Does any
23 Committee Member have a question?

24 EXAMINATION - resumed

25 HEARING OFFICER GEFTER: With respect to

1 TRANS4, Mr. Flores indicated that this deals with
2 the time that -- it's TRANS4 and TRANS7 you
3 indicated that would address the transportation
4 hours to alleviate some of the congestion in some
5 of the more overloaded LOS sites?

6 MR. FLORES: Yes, that's correct.

7 HEARING OFFICER GEFTER: Well, TRANS4
8 deals with the transport of hazardous materials?

9 MR. FLORES: Excuse me, it's TRANS5,
10 excuse me.

11 HEARING OFFICER GEFTER: Okay, thank
12 you.

13 MR. FLORES: Just for correction.

14 HEARING OFFICER GEFTER: Are you
15 proposing sort of a flex time type of work
16 schedule?

17 MR. FLORES: As indicated, as part of
18 TRANS5, it would be the responsibility of the
19 applicant to meet with the City of Pittsburg and
20 also the City of Antioch and work out whatever
21 hours are necessary to alleviate the congested
22 timeframes.

23 HEARING OFFICER GEFTER: All right.
24 Subject to approval of the CPM?

25 MR. FLORES: Yes.

1 HEARING OFFICER GEFTER: At page 127
2 under the title analysis, third paragraph down,
3 the FSA indicates that there would be a traffic
4 count provided at roadway intersections that would
5 be submitted by the applicant? Is that something
6 that the applicant can answer?

7 MR. SALAMY: That issue was clarified
8 with the City. The analysis of intersections is
9 only for the operational phase of the project, and
10 it's only for projects that would have more than
11 50 trips per day impact.

12 And our project will not have more than
13 50 trips per day during the operational phase.

14 HEARING OFFICER GEFTER: This does not
15 apply to construction at all?

16 MR. SALAMY: No, it does not apply to
17 construction.

18 HEARING OFFICER GEFTER: All right. In
19 terms of staff's testimony, would you want to
20 amend this to be consistent with what the
21 applicant has just indicated, or would you want to
22 take a look at this independently, which we would
23 prefer, and get back to us on whether there's
24 going to be an additional study?

25 MR. SALAMY: Actually our testimony does

1 address this issue.

2 HEARING OFFICER GEFTER: Applicant's
3 testimony?

4 MR. SALAMY: Yes, ma'am.

5 HEARING OFFICER GEFTER: Okay, could you
6 indicate the page on that?

7 MR. SALAMY: It would be page 30 under
8 operational impacts.

9 HEARING OFFICER GEFTER: All right.

10 MR. SALAMY: Under item C.

11 HEARING OFFICER GEFTER: All right, and
12 it indicates approximately 50 daily trips.

13 MR. SALAMY: But if you continue reading
14 the issue is peak periods, peak traffic periods.
15 You have to have an impact of 50 roundtrips during
16 the peak period, I'm sorry.

17 HEARING OFFICER GEFTER: And you will
18 avoid that 50 trips during peak period because you
19 are going to stagger your work days?

20 MR. SALAMY: We will only have 25
21 employees, so they would all have to travel to the
22 site during the peak period in order for us to
23 exceed this value. And someone has to operate the
24 plant.

25 HEARING OFFICER GEFTER: Um-hum.

1 MR. SALAMY: So we would not be able to
2 violate or exceed this 50-trip limit during the
3 peak periods.

4 HEARING OFFICER GEFTER: Is that because
5 you have two shifts during operations?

6 MR. SALAMY: Yes, ma'am.

7 HEARING OFFICER GEFTER: All right.

8 MR. SALAMY: And I believe the maximum
9 we would have during the peak period is ten trips.

10 HEARING OFFICER GEFTER: All right, so
11 the two shifts, what are the hours of your two
12 shifts during operations?

13 MR. SALAMY: I believe they are 8:00
14 a.m. to 8:00 p.m., and 8:00 p.m. to 8:00 a.m.

15 HEARING OFFICER GEFTER: All right.

16 MR. SALAMY: I believe that's
17 operational staff. We do have some staff that
18 would -- maintenance staff that would come in
19 different hours. And that would be daylight
20 hours.

21 HEARING OFFICER GEFTER: Okay. Has
22 staff looked into this?

23 MR. FLORES: Yes, as a matter of fact
24 staff has contacted the City and received
25 clarification, so staff is satisfied with the

1 response by the applicant.

2 HEARING OFFICER GEFTER: Okay, so then
3 you would update your statement here on page 127?

4 MR. FLORES: Yes.

5 HEARING OFFICER GEFTER: All right. And
6 what would you say?

7 MR. FLORES: Just indicating that staff
8 has spoken with the City of Pittsburg public
9 engineer, and based upon the evidence that was
10 provided to them by the applicant, that staff, you
11 know, that staff is satisfied with the traffic
12 analysis that's been provided.

13 HEARING OFFICER GEFTER: The second
14 sentence indicates that a right-turn lane will be
15 constructed near the intersection of the
16 Pittsburg/Antioch Highway and Loveridge Road.

17 MR. FLORES: Yes.

18 HEARING OFFICER GEFTER: When will that
19 occur?

20 MR. FLORES: That's supposed to be
21 completed this summer, according to --

22 HEARING OFFICER GEFTER: The summer of
23 '99 or summer 2000?

24 MR. FLORES: '99.

25 HEARING OFFICER GEFTER: Was it

1 completed?

2 MR. FLORES: I have no idea at this
3 point. It was under construction at the time I
4 spoke to them.

5 HEARING OFFICER GEFTER: Okay, the
6 representative from the City of Pittsburgh, one of
7 our parties, our intervenors, is going to come
8 forward and sit down at the table. That
9 microphone works better. And state your name for
10 the record, please.

11 MR. GANGAPURAM: Avan Gangapuram from
12 the City of Pittsburgh.

13 HEARING OFFICER GEFTER: Okay, and if
14 you're going to provide testimony, we're going to
15 have to put you under oath. So, let the
16 reporter --
17 Whereupon,

18 AVAN GANGAPURAM
19 was called as a witness herein and after first
20 being duly sworn, was examined and testified as
21 follows:

22 HEARING OFFICER GEFTER: Okay.

23 MR. GANGAPURAM: Okay, can you repeat
24 the question now?

25 HEARING OFFICER GEFTER: Okay, the

1 question is when will that right-turn lane be
2 constructed near the intersection of Pittsburg/
3 Antioch Highway and Loveridge Road?

4 MR. GANGAPURAM: It's one of our, it's
5 involved in our CIP projects, and it's not been
6 completed, but it would be probably year 2000,
7 summer of 2000.

8 HEARING OFFICER GEFTER: The summer of
9 2000, --

10 MR. GANGAPURAM: Summer of 2000.

11 HEARING OFFICER GEFTER: -- so one year
12 from now?

13 MR. GANGAPURAM: Yes.

14 HEARING OFFICER GEFTER: And in your
15 opinion will this alleviate some of the traffic
16 congestion at that intersection which is going to
17 be close to the site?

18 MR. GANGAPURAM: To a certain extent,
19 yes.

20 HEARING OFFICER GEFTER: Okay. Staff is
21 indicating that it will improve traffic congestion
22 at the intersection from an LOSE to a LOSE. Do
23 you agree with that?

24 MR. GANGAPURAM: I haven't really seen
25 the traffic count so I can't answer that question,

1 but there will definitely be an improvement.

2 HEARING OFFICER GEFTER: All right,
3 thank you.

4 Because the traffic around the site is
5 so heavy, what other mitigation proposals are in
6 the record other than changing the work time
7 shifts to avoid heavy traffic during rush hour,
8 which is when you have LOSF in several areas.

9 MR. FLORES: Those are the only two
10 conditions staff has established at this point.

11 HEARING OFFICER GEFTER: Is staff
12 satisfied with those conditions?

13 MR. FLORES: Yes, staff is satisfied;
14 and also with the discussions with Paul Reiners,
15 who's the senior engineer. He was satisfied with
16 working those conditions out with the applicant.

17 HEARING OFFICER GEFTER: Mr. Reiners is
18 a civil engineer for the City of Pittsburgh?

19 MR. FLORES: That's correct.

20 HEARING OFFICER GEFTER: Okay. Does the
21 representative from the City of Pittsburgh, have
22 you been working with --

23 MR. GANGAPURAM: Yes, I've been working
24 with Paul Reiners and part of our general plan did
25 also address that issue to a certain extent.

1 HEARING OFFICER GEFTER: Is the City of
2 Pittsburg satisfied that these are sufficient
3 mitigation measures that are proposed by the
4 applicant to deal with the, during the
5 construction period, the large amount of traffic
6 that will be on the roads at LOSF levels during
7 the project?

8 MR. GANGAPURAM: That I'll have to talk
9 to Paul and then come with the answer, because he
10 deals with all our traffic issues. I don't think
11 I'm competent enough to answer that question.

12 HEARING OFFICER GEFTER: Okay. Does
13 applicant have any comment on this?

14 MR. SALAMY: We have looked at the
15 impacts from traffic and with the mitigation we
16 proposed we would not affect the level of service
17 for any of the roadways or intersections during
18 the construction period.

19 HEARING OFFICER GEFTER: Okay, why is
20 that?

21 MR. SALAMY: That's what the analysis
22 indicated.

23 HEARING OFFICER GEFTER: What did it
24 say?

25 MR. SALAMY: Pardon me?

1 HEARING OFFICER GEFTER: Because you --

2 MR. SALAMY: Well, because of the
3 mitigation in terms of carpooling for the workers,
4 you know, busing workers in, staggering shifts,
5 scheduling shipments during off-peak periods.

6 HEARING OFFICER GEFTER: All right.
7 Does the staff have any redirect of its witness?

8 MR. RATLIFF: No.

9 HEARING OFFICER GEFTER: Does the
10 applicant have any recross?

11 MR. HARRIS: No.

12 HEARING OFFICER GEFTER: All right, the
13 witness may be excused, thank you. And also the
14 City of Pittsburgh may be excused, as well, thank
15 you.

16 MR. HARRIS: Will there be a document
17 associated with the changes suggested by staff?

18 HEARING OFFICER GEFTER: Oh, with
19 respect to the language in the conditions?

20 MR. HARRIS: Right.

21 HEARING OFFICER GEFTER: Will staff be
22 able to provide that document to the parties and
23 to the Committee?

24 MR. FLORES: Yes, we will.

25 MR. HARRIS: Okay. Do you want to make

1 that an exhibit now?

2 HEARING OFFICER GEFTER: Once we receive
3 it.

4 MR. HARRIS: Okay, all right.

5 HEARING OFFICER GEFTER: And when we
6 receive it, it would be at the October 13th
7 hearing. Staff can offer it at that time. So
8 we're going to leave open again the traffic and
9 transportation topic for the limited purpose of
10 receiving into evidence the proposed language
11 changes to the conditions.

12 MR. RICHINS: Can I get clarification on
13 what language -- we went over the 30 day, and
14 that's the only changes that we're proposing. Is
15 that what you're asking for?

16 HEARING OFFICER GEFTER: Yes. And
17 deleting language from the protocol sections.
18 Yes, thank you.

19 The next topic is worker safety and fire
20 protection.

21 Whereupon,

22 DOUGLAS BUCHANAN

23 was recalled as a witness herein and having been
24 previously duly sworn, was examined and testified
25 further as follows:

1 DIRECT EXAMINATION

2 BY MR. HARRIS:

3 Q I'd ask the witness to identify himself
4 for the record.

5 A Douglas Buchanan.

6 Q And what subject matter is your
7 testimony?

8 A Worker safety and fire protection.

9 Q Specifically which documents are you
10 sponsoring as part of your testimony?

11 A Sponsoring section 8.7 of the AFC.

12 Q And was this document prepared by you or
13 at your direction?

14 A It was prepared under my direction.

15 Q And based upon your review of the
16 testimony, are the facts true to the best of your
17 knowledge?

18 A They're true to the best of my
19 knowledge.

20 Q Do you have any changes or corrections
21 to your testimony?

22 A I do not.

23 Q And you adopt this as your testimony?

24 A Yes, I do.

25 Q Have you had a chance to review the FSA?

1 A Yes.

2 Q And you've had a chance to review the
3 conditions of certification there, too?

4 A We have.

5 Q And do you find those conditions of
6 certification acceptable?

7 A We find the conditions acceptable.

8 MR. HARRIS: At this point I'd like to
9 move into evidence section 8.7 of the AFC.

10 HEARING OFFICER GEFTER: Is there any
11 objection? Staff?

12 MR. RATLIFF: No.

13 HEARING OFFICER GEFTER: The section 8.7
14 of the AFC, which is a portion of exhibit 2, is
15 now received into evidence.

16 (The above-referenced document,
17 previously marked Applicant exhibit
18 2, AFC Section 8.2, was received in
19 evidence.)

20 MR. HARRIS: Thank you. We make the
21 witness available for cross-examination.

22 HEARING OFFICER GEFTER: Does staff have
23 cross-examination of the witness?

24 MR. RATLIFF: No.

25 HEARING OFFICER GEFTER: Does staff have

1 a witness on worker safety?

2 MR. RATLIFF: Yes.

3 HEARING OFFICER GEFTER: You may
4 proceed. We need to have the witness sworn.
5 Whereupon,

6 CHRIS TOOKER

7 was called as a witness herein and after first
8 being duly sworn, was examined and testified as
9 follows:

10 MR. RATLIFF: The staff witness is Chris
11 Tooker.

12 DIRECT EXAMINATION

13 BY MR. RATLIFF:

14 Q Mr. Tooker, could you explain your
15 position at the Energy Commission?

16 A Yes, I'm a staff supervisor of the air
17 quality and health unit in the environmental
18 protection office of the power plant siting
19 division. And the unit is responsible for the
20 preparation of analyses in the area of worker
21 safety and fire protection, among others.

22 Q Was this testimony titled worker safety
23 and fire protection that's part of the staff FSA,
24 was it prepared under your supervision?

25 A Yes, it was.

1 Q Do you adopt it as your own?

2 A Yes, I do.

3 Q Is it true and correct to the best of
4 your complete?

5 A With the exception of a few minor
6 changes that I would like to make.

7 Q Okay, can we make those changes now?

8 A Yes. On page 39 prior to the section on
9 laws, ordinances and regulations, in that last
10 paragraph beginning with the words, staff has
11 determined, the next-to-the-last line of that
12 paragraph, strike the words "not yet" and all
13 words after resolved. Put a period after
14 resolved, so it reads, issues relating to the
15 project's impacts to local fire protection
16 services capabilities and appropriate mitigation
17 have been resolved, period.

18 And then on page 48, under the
19 cumulative impact section, the next-to-the-last
20 line, strike the final word "and", and put a
21 period after concerns. And then strike the total
22 following line, the last line of the paragraph,
23 starting with provide. And in addition to that in
24 the second-to-the-last line of the paragraph,
25 strike the words "will hold" at the beginning of

1 the line and replace them with "held", so that the
2 last two sentences now read, Staff held meetings
3 with district representatives to discuss their
4 concerns. Period. Those concerns have been
5 resolved as discussed in the socioeconomic section
6 of this final staff assessment. Period.

7 Q With those changes is it true and
8 correct?

9 A I also have a proposed change to the
10 verification on worker safety 1 on page 49. And
11 the changes there are under the verification to
12 strike "at least" and add 30 days, so it says, 30
13 days prior to the start of construction, comma,
14 or, and then strike "a date" and then add a lesser
15 period of time as mutually agreed to by the
16 project owner and the CPM.

17 HEARING OFFICER GEFTER: Are you talking
18 about worker safety 1?

19 THE WITNESS: Yes.

20 HEARING OFFICER GEFTER: The
21 verification?

22 THE WITNESS: Verification.

23 HEARING OFFICER GEFTER: Okay, and we're
24 striking "at least" --

25 THE WITNESS: Strike first "at least"

1 add 30, and then after the word "or" at the end of
2 the line, strike "a date".

3 HEARING OFFICER GEFTER: Okay.

4 THE WITNESS: And replace it with a
5 lesser period of time as mutually. And then after
6 the word "by" add the project owner and.

7 And in the fourth line after program,
8 comma, strike the phrase "incorporating CalOSHA's
9 consultation service comments.

10 HEARING OFFICER GEFTER: Striking that?

11 THE WITNESS: Strike that. And add with
12 a copy of the cover letter of transmittal of the
13 plan to CalOSHA. Period.

14 And that constitutes all the proposed
15 changes.

16 HEARING OFFICER GEFTER: We need those
17 changes in writing. And you'll have to move that
18 into evidence so we can have that in the record.

19 THE WITNESS: Yes.

20 HEARING OFFICER GEFTER: Is there any
21 objection to the language changes from the
22 applicant?

23 MR. HARRIS: No objection.

24 HEARING OFFICER GEFTER: Does the
25 applicant have any objection? No. All right.

1 Would staff be able to provide us those
2 language changes again at the October 13th
3 hearing?

4 THE WITNESS: Yes.

5 HEARING OFFICER GEFTER: Thank you.

6 I also have a question.

7 EXAMINATION

8 HEARING OFFICER GEFTER: Why was it
9 changed to state a copy of the cover letter of
10 transmittal, rather than the plan, itself?

11 THE WITNESS: The reason this was
12 changed was because the CalOSHA has changed their
13 inspection and review procedures for the plan that
14 is referenced here. And they now prefer to first
15 visit the site, the construction site to review
16 the activities before they review the plan to see
17 if it's consistent, and then provide comments.

18 And this language would accommodate that
19 change in their review policy.

20 So that under this language it indicates
21 that they will need to provide evidence that they
22 have, in fact, submitted the plan to CalOSHA for
23 review.

24 HEARING OFFICER GEFTER: Why don't we
25 say that?

1 THE WITNESS: What?

2 HEARING OFFICER GEFTER: Why don't we
3 say that? A copy of the cover letter of the
4 transmittal is not necessarily -- why don't you
5 say what you just said, that they need to provide
6 evidence that they've submitted the plan?

7 THE WITNESS: I don't understand. We
8 thought that the evidence would be the cover
9 letter. That would be the way they would
10 demonstrate that they fulfilled that obligation.

11 HEARING OFFICER GEFTER: Okay.

12 THE WITNESS: Yes, I mean that's the
13 logic that was evidence that they submitted.

14 HEARING OFFICER GEFTER: All right.

15 THE WITNESS: Seems logical to me.

16 HEARING OFFICER GEFTER: Okay, fine,
17 thank you.

18 COMMISSIONER PERNELL: My question
19 centers around -- Commissioner Pernell -- around
20 CalOSHA coming out inspecting the project first.
21 Are we to assume that the project is on hold until
22 CalOSHA comes out, or can they begin work and then
23 have CalOSHA come out and then we do the plan?
24 I'm not sure that, knowing CalOSHA's workload,
25 having sat on the advisory committee, whether or

1 not they will be out in a timely manner.

2 I mean perhaps this is something that
3 the applicant could comment on, but it sounds to
4 me like we're holding it up until CalOSHA comes
5 out and reviews the site. Is that what's
6 suggested here?

7 THE WITNESS: No, the way this condition
8 has been rewritten we would not prevent them from
9 initiating construction. This has been rewritten
10 to recognize, as I said earlier, the fact that
11 CalOSHA will not -- has made it a policy not to
12 review the construction plan -- this only has to
13 do with construction, not operation --
14 construction plan for fire protection before the
15 fire protection and prevention plan -- I'm sorry.

16 They're only going to review the subject
17 plan after they've had a chance to inspect the
18 site to see whether or not what is happening at
19 the site is consistent with that plan, so that
20 they can comment on the plan.

21 COMMISSIONER PERNELL: All right, but
22 that will not slow down the potential construction
23 schedule?

24 THE WITNESS: No.

25 COMMISSIONER PERNELL: I guess is my

1 question.

2 THE WITNESS: It will not.

3 COMMISSIONER PERNELL: Thank you.

4 HEARING OFFICER GEFTER: You may proceed
5 with your direct examination.

6 BY MR. RATLIFF:

7 Q Well, we sort of have, but, Mr. Tooker,
8 is there anything else in your testimony you need
9 to summarize at this time?

10 A There's nothing specifically other than
11 providing just a summary of what staff did. Do
12 you want me to provide a brief summary of the
13 testimony?

14 Staff has reviewed the project
15 application and we have determined, based on that
16 review, that the applicant has proposed adequate
17 measures to comply with the applicable LORS to
18 protect the workers during construction and
19 operation of the facility, to protect against
20 fire, and to provide adequate emergency response
21 procedures.

22 We believe the proposed conditions
23 assure that those will be accomplished.

24 HEARING OFFICER GEFTER: Does the
25 applicant have any cross-examination?

1 MR. HARRIS: No, we don't.

2 HEARING OFFICER GEFTER: All right, the
3 witnesses may be excused.

4 The next topic is hazardous materials.
5 Is the applicant ready to proceed on the topic of
6 hazardous materials?

7 MR. HARRIS: Yes, we are.

8 Whereupon,

9 JERRY SALAMY
10 was recalled as a witness herein and having been
11 previously duly sworn, was examined and testified
12 further as follows:

13 DIRECT EXAMINATION

14 BY MR. HARRIS:

15 Q I'd like the witness to identify himself
16 for the record.

17 A My name is Jerry Salamy.

18 Q And what subject matter is your
19 testimony?

20 A Hazardous materials management, section
21 8.12 of the AFC.

22 Q And specifically which documents are you
23 sponsoring?

24 A Section 8.12 of the AFC and responses to
25 the California Energy Commission data requests 26

1 and 27.

2 Q Does your testimony also include the
3 responses to these --

4 A And also the informal data requests
5 filed on May 7th.

6 Q Okay, thank you. Were these documents
7 prepared by you or at your direction?

8 A At my direction.

9 Q And based upon your review of the
10 testimony are the facts true to the best of your
11 knowledge?

12 A They are.

13 Q Do you have any changes or corrections
14 to your testimony?

15 A No, I do not.

16 Q And do you adopt this as your testimony
17 now?

18 A I do.

19 Q You've had an opportunity to review the
20 final staff assessment?

21 A Yes, I have.

22 Q And you've reviewed the conditions of
23 certification in that final staff assessment?

24 A Yes, I have.

25 Q And are those conditions acceptable?

1 A They are.

2 MR. HARRIS: At this time I'd like to
3 move into evidence section 8.12 of the AFC, and I
4 believe that the data responses 26 and 27 have
5 already been moved in, and the informal ones as
6 well. Maybe not on --

7 HEARING OFFICER GEFTER: What was the
8 exhibit number on the May 7th data responses? Is
9 that exhibit 9? Exhibit 9 refers to hazardous
10 materials, among others.

11 MR. HARRIS: It is exhibit 9.

12 HEARING OFFICER GEFTER: All right,
13 exhibit 9 has already been admitted.

14 MR. HARRIS: Getting to the point where
15 I bore myself now, so, all right, exhibit 9. Move
16 those into evidence.

17 HEARING OFFICER GEFTER: So the only
18 thing pending is section 8.12 of the AFC, which is
19 a portion of exhibit 2?

20 MR. HARRIS: That's correct.

21 HEARING OFFICER GEFTER: And you're
22 moving that into evidence?

23 MR. HARRIS: Please.

24 HEARING OFFICER GEFTER: Is there any
25 objection?

1 MR. RATLIFF: No.

2 HEARING OFFICER GEFTER: Okay, section
3 8.12 of the AFC, which is a portion of exhibit 2,
4 is received into evidence at this time.

5 (The above-referenced document,
6 previously marked Applicant exhibit
7 2, AFC Section 8.12, was received
8 in evidence.)

9 MR. HARRIS: Thank you. We've made the
10 witness now available for cross-examination.

11 HEARING OFFICER GEFTER: Does staff have
12 any cross-examination of the witness?

13 MR. RATLIFF: No.

14 HEARING OFFICER GEFTER: Does staff have
15 a witness to go forward on the hazardous materials
16 testimony?

17 MR. RATLIFF: Yes, the staff witness is
18 Rick Tyler.

19 HEARING OFFICER GEFTER: Would you have
20 the witness sworn, please, and also indicate his
21 position with the staff.
22 Whereupon,

23 RICK TYLER
24 was called as a witness herein and after first
25 being duly sworn, was examined and testified as

1 follows:

2 MR. RATLIFF: Mr. Tyler, there were two
3 things omitted from his testimony, one was his
4 r,sum, it's not included in the FSA, so I'd like
5 to provide it to you now. And we'll include it in
6 the errata that we provide October 13th, as well.

7 And also apparently appendix B is
8 missing. And we'll include that in the errata,
9 too, copies of that.

10 HEARING OFFICER GEFTER: Do you have
11 copies for the applicant, as well?

12 MR. RATLIFF: I have -- I'm sorry, I
13 only have one copy of the r,sum,.

14 DIRECT EXAMINATION

15 BY MR. RATLIFF:

16 Q Mr. Tyler, could you explain your
17 position and duties at the Energy Commission and
18 your qualifications briefly?

19 A Yes, I work in the area of hazardous
20 materials management within the engineering
21 section of the Energy Commission. I've worked on
22 hazardous materials management analysis on
23 numerous cases in the past.

24 I have a degree in mechanical
25 engineering, and have done extensive independent

1 study in the area of hazardous materials
2 management, toxicology, risk assessment and many
3 other areas.

4 Q And what is your position with staff did
5 you say?

6 A I'm an associate mechanical engineer.

7 HEARING OFFICER GEFTER: All right, why
8 don't we identify Mr. Tyler's r, sum, as exhibit
9 26.

10 (The above-referenced document was
11 marked CEC Staff exhibit 26 for
12 identification.)

13 HEARING OFFICER GEFTER: And the, what
14 are these, an addendum to his testimony, which is
15 table 8.12-2 which is called a DEC or Delta Energy
16 Center chemical inventory. We will identify that
17 as exhibit 26 -- I'm sorry, 27, 27, that's right.

18 (The above-referenced document was
19 marked CEC Staff exhibit 27 for
20 identification.)

21 HEARING OFFICER GEFTER: You may proceed
22 with your direct examination.

23 BY MR. RATLIFF:

24 Q Mr. Tyler, did you prepare the testimony
25 entitled hazardous material management?

1 A Yes, I did.

2 Q Do you have any changes to make in that?

3 A Yes, I do. First, on page 8, -- okay,
4 it's page 74, HAZ1, reference to table, the word
5 table should be changed to table and that should
6 be 8.12-2, which is the table that I just provided
7 you. And then that should be labeled appendix B.

8 HEARING OFFICER GEFTER: Excuse me,
9 appendix B then would be what you submitted as
10 exhibit 27?

11 THE WITNESS: That's correct.

12 HEARING OFFICER GEFTER: And that would
13 then be incorporated into your testimony?

14 THE WITNESS: That's correct.

15 HEARING OFFICER GEFTER: Thank you.

16 THE WITNESS: Then on the reference page
17 76, in the testimony I've referenced Frank Lise's
18 book in the more recent edition, which is 1992,
19 and it's volumes I, II and III.

20 HEARING OFFICER GEFTER: I'm sorry,
21 could you repeat that? What page is that?

22 THE WITNESS: That's page 76.

23 HEARING OFFICER GEFTER: All right.

24 THE WITNESS: And it's the first
25 reference, it's Lise, F.P.

1 HEARING OFFICER GEFTER: And what's the
2 updated date?

3 THE WITNESS: The updated version is
4 1992, which is what's in my testimony. And then
5 there are now three volumes in that.

6 HEARING OFFICER GEFTER: Okay.

7 THE WITNESS: So I have volume I, volume
8 II, and III.

9 BY MR. RATLIFF:

10 Q With those changes is your testimony
11 true and correct to the best of your knowledge and
12 belief?

13 A Yes, it is.

14 Q Can you summarize it briefly?

15 A The purpose of the hazardous materials
16 analysis is to determine if the materials that are
17 going to be used during the operation of the
18 facility pose a risk of accidental release and
19 subsequent risk to the public, either from fire,
20 explosion or toxicity.

21 In evaluating the proposed project the
22 primary concern was for two materials, -- first
23 for two materials which are listed by both the
24 federal government and state as either extremely
25 or acutely hazardous materials. Those were

1 anhydrous ammonia and sulfuric acid.

2 Sulfuric acid was not a concern because
3 of the form that's being proposed for use at the
4 facility is diluted to a level where it has
5 virtually no vapor pressure. So it's not like the
6 oleum that you hear about which is released from
7 tank cars occasionally. This particular type of
8 sulfuric acid has virtually no ability to migrate
9 off site.

10 The anhydrous ammonia then becomes the
11 primary concern for handling of hazardous
12 materials at the facility. The applicant has
13 proposed to use a double-walled tank that is
14 designed to seismic 4 standards.

15 Staff reviewed both the consequences of
16 accidental release and the probabilities of such a
17 release. Staff believes that a catastrophic
18 failure of the tank would result in significant
19 consequences off-site.

20 However, the probability of that worse
21 case occurrence we do not believe is plausible.
22 Particularly in light of the design of the
23 proposed facility.

24 We analyzed that -- or I analyzed that
25 circumstance and found that the risks were

1 something below three in a million over the life
2 of the project. That's considerably lower than
3 has typically been found to be significant in
4 other types of applications.

5 We also looked at alternative releases
6 which would be of smaller amounts due to line
7 failures and that type of an incident, which are
8 more probable, but result in much lower amounts of
9 material being released.

10 My review of those types releases
11 indicates that those releases would not result in
12 significant adverse impact on anyone in the
13 vicinity of the project.

14 And so basically I've determined that
15 the worst plausible case, which is the only one
16 that could really result in significant injury or
17 lethality is not plausible, and that would be the
18 primary concern there would be for the Casa
19 Medanos facility.

20 And that the lesser releases don't pose
21 a significant risk to the public.

22 Q Could you describe when you use the term
23 lesser releases or smaller releases, what kinds of
24 releases are you talking about?

25 A Typically those would include a release

1 due to a rupture in a loading line that was at or
2 below the level of actuation of a secondary
3 control valve which is in the line of the tank
4 which basically shuts. It's called an excess flow
5 valve.

6 That valve is triggered to automatically
7 shut if there's any flow that's in excess of
8 normal type of flow, which would happen if you had
9 for instance a blind break of that line, the hose
10 was completely severed.

11 However, there have been cases where the
12 line has failed in less than a blind break, and
13 caused releases at lower levels just below the
14 triggering of that valve. That would be
15 approximately the worst plausible event for the
16 those types of accidents.

17 Q So you looked at -- am I correct that
18 you looked at a number of different kinds of
19 accidents which are of a garden variety, not
20 uncommon in the area of hazardous material
21 management, and you call those less significant
22 releases?

23 A Yes, that's correct.

24 Q And you say there are no health
25 consequences from those?

1 A That's correct.

2 Q But you say there are significant
3 consequences if you have a catastrophic failure of
4 the tank of some kind?

5 A There would be, but I don't believe that
6 catastrophic failure is plausible, particularly in
7 light of the double-walled construction and
8 seismic 4 design.

9 Q When you say it's not plausible, can you
10 tell us why? Are you taking into consideration
11 the kinds of assumptions you would make to arrive
12 at a significant impact from those kinds of
13 materials being released?

14 A First, you'd have to have the tank
15 failure from a spontaneous -- occur spontaneously
16 because we did look at other external factors such
17 as earthquakes or damage to the tank due to
18 vehicular collision or turbine overspeed failures,
19 those types of events, and determined that there
20 were no external hazards that were plausible other
21 than seismicity of the area. And that's accounted
22 for by the design of the tank to the current
23 California seismic 4 standards.

24 So, the only way the tank would fail is
25 if it failed just on its own. And the primary

1 mechanism for that would be corrosion, cracking or
2 something of that nature. If we look at the
3 failure rates for those types of tanks based on
4 modern design, there are two studies that I know
5 of that looked into that, where the Canby Study
6 which is the one I've mentioned; and a newer one
7 that's referenced in the newer Lise's book, the
8 Rijan study.

9 Those indicate that the risk is in the
10 range of one in a million per year of tank
11 service. So just failure of the tank is that low
12 of a probability.

13 Then on top of having the tank failure,
14 you would also have to have pessimistic
15 meteorological conditions. And in this case,
16 winds directly in a direction of the nearest
17 receptor.

18 I believe in my testimony I determined
19 that the likelihood of that is something on the
20 order of 1 percent or less.

21 So when you factor that into the
22 equation, the risks are in the range of one in a
23 million over the life of the project, which we
24 believe is sufficiently low to be considered de
25 minimis or not plausible.

1 Q When you talk about the winds in the
2 direction of the nearest receptor, are you talking
3 about just wind in the direction or a particular
4 kind of meteorological condition?

5 A Yes, that would also require F
6 stability, which is the most, one of the most
7 stable conditions. So in other words, the winds
8 would have to occur and they would have to be very
9 very low winds, because we're talking about a
10 condition where the atmosphere is virtually
11 stable.

12 So you'd have to have all of these
13 conditions occurring at the same time in order to
14 produce the worst plausible impact. And if you
15 take all the probabilities of those and you
16 multiply them together, you come up with very very
17 very low risks.

18 Q Other than the Casa Medanos Apartments,
19 is there any other receptor that would be affected
20 by that kind of a release?

21 A I looked at that and determined that
22 there was a possibility of exposure at longer
23 distances in the range of 75 to 200 ppm, which
24 normally EPA considers 200 ppm to be a level
25 that's acceptable. I have normally used 75,

1 because I believe that 75 is a better number for
2 sensitive receptors, and that the 200 ppm number
3 is not sufficiently protective.

4 But again, those would also require --
5 would have probabilities in the range of one in a
6 million. So only the worst plausible case would
7 result in any possible impact beyond the Casa
8 Medanos Motel.

9 Q Is there anything else that you want to
10 add to your testimony in summary?

11 A No.

12 Q Do you think that the project is
13 properly mitigated at this point?

14 A Yes, I do.

15 Q And that is based upon the probabilities
16 that you believe are appropriately considered in
17 this project?

18 A Yes, the type of accidents that I
19 believe are plausible is not plausible in their
20 relative potential for impact.

21 MR. RATLIFF: I have no other direct.

22 HEARING OFFICER GEFTER: Does the
23 applicant have cross-examination of the witness?

24 MR. HARRIS: Just I want to make sure I
25 understand.

1 CROSS-EXAMINATION

2 BY MR. HARRIS:

3 Q You're using the 75 ppm criteria which
4 is more stringent than the 200 used by EPA, is
5 that correct?

6 A That's correct.

7 Q Okay.

8 MR. HARRIS: That's it, thank you.

9 HEARING OFFICER GEFTER: Does staff want
10 to move exhibits 26 and 27 into evidence?

11 MR. RATLIFF: Yes, please.

12 HEARING OFFICER GEFTER: Is there
13 objection to those exhibits?

14 MR. HARRIS: No.

15 HEARING OFFICER GEFTER: Okay, exhibit
16 26, which is the r, sum, of Rick Tyler, and exhibit
17 27, which is the chemical inventory table 8.12-2
18 are now received into evidence.

19 (The above-referenced documents,
20 previously marked CEC Staff
21 exhibits 26 and 27, were received
22 in evidence.)

23 HEARING OFFICER GEFTER: Do any of the
24 Committee Members have questions?

25 //

1 EXAMINATION

2 HEARING OFFICER GEFTER: With respect
3 to truck deliveries, Mr. Tyler, what is the design
4 to prevent accidental spills during truck delivery
5 to the site, truck delivery of ammonia to the
6 site?

7 THE WITNESS: Are you speaking of during
8 transportation to the facility?

9 HEARING OFFICER GEFTER: No. At the
10 time of delivery and unloading.

11 THE WITNESS: Both the vehicle and the
12 tank, itself, have excess flow valves. There are
13 also special conditions where you have automatic
14 shut-off if there's a problem with the attendant.

15 In addition to that, the applicant will
16 be required, because they're under PSM, to develop
17 a process safety management plan. In that plan
18 they'll address the procedures that will be
19 followed during delivery of anhydrous ammonia.

20 That would be the primary emphasis of my
21 review of their submittals in the compliance
22 phase.

23 HEARING OFFICER GEFTER: All right.
24 What do you mean by PSM plan, and is that in the
25 conditions?

1 THE WITNESS: Yes, it is. The process
2 safety management plan and the RMP are required.

3 HEARING OFFICER GEFTER: All right, I
4 see RMP -- oh, and I do see the process safety
5 management plan. And that's in HAZ2?

6 THE WITNESS: That's correct.

7 HEARING OFFICER GEFTER: All right. I
8 wanted to ask the applicant the same question.
9 What is the design for truck delivery of anhydrous
10 ammonia, is there a ramp that goes down into the
11 tank where the trucks deliver the ammonia? And is
12 it in a basin so that if there's any leakage, that
13 sort of thing, will that be taken care of?

14 MR. BUCHANAN: This is Doug Buchanan,
15 I'm going to speak for the witness, Jerry Salamy,
16 on the design.

17 This would be a traditional truck
18 unloading type of station. This would be a hose
19 unloading station where the truck would park
20 alongside the tankage.

21 The tankage, itself, as Mr. Tyler
22 described, would be contained in a double-walled
23 cylinder arrangement that would have a concrete
24 wall around it to capture any spills that might
25 occur on the tank side.

1 As far as the truck, again it's a fairly
2 traditional unloading with a number of special
3 safety features. One, of course, is the various
4 -- I'm drawing a blank here on the valve --

5 MR. TYLER: Excess flow valves.

6 MR. BUCHANAN: -- the excess flow valves
7 which are both an integral part of the tanker
8 truck and also part of the tank, itself.

9 In addition to that, as part of the
10 unloading procedure, I've discussed this, but I
11 don't this was part of the AFC or not, part of our
12 procedure for safety on -- I know we've discussed
13 this, but anyway the intent on the safety
14 procedure would be to have a standby individual
15 with the respirator material so that the site
16 would be both -- would be under the direct control
17 of one operator, and under the observation of a
18 second, who would have safety gear present in the
19 event a leak occurred, and remedial action could
20 be taken by a second individual.

21 So, basically it's a combination of a
22 couple of mechanical devices, concrete walling
23 around the tank to capture any spilled material,
24 and additional personnel with the appropriate
25 apparatus, both -- I'm going to use technical

1 terms here -- the Scot Airpack Respirator System,
2 and protective clothing as part of the normal off-
3 loading procedure.

4 HEARING OFFICER GEFTER: It's your
5 testimony that the truck will drive into the tank?
6 Or does the truck drive into an enclosed area?

7 MR. BUCHANAN: No, the area will not be
8 enclosed as we currently conceive it. Basically
9 the tanker will, which I gather you can see from
10 the diagram is to the south of the site and away
11 from the main power area, would park adjacent to
12 or behind, I'm not sure what the configuration
13 will be yet, and there would be a mechanical hose
14 connection flange to truck flange to the tank
15 receiver.

16 The tanker truck, itself, would not be
17 in a building or an enclosure or a basin of any
18 kind.

19 HEARING OFFICER GEFTER: How large is
20 the tanker? The storage tank.

21 MR. BUCHANAN: The tank, itself?

22 HEARING OFFICER GEFTER: Yeah.

23 MR. BUCHANAN: 10,500 gallons is, I
24 think, what we've spec'd it at presently.

25 HEARING OFFICER GEFTER: You just have

1 one tank on site?

2 MR. BUCHANAN: Just a single tank,
3 right.

4 HEARING OFFICER GEFTER: Mr. Tyler, in
5 previous cases some of the designs included a
6 situation where the truck would drive into a
7 bermed basin.

8 MR. TYLER: Yes. I was going to clarify
9 that for you. I think what the confusion here is,
10 is if you handle aqueous ammonia, which is a
11 solution of anhydrous ammonia in water. Then you
12 have a situation where a spill is driven by mass
13 transfer by evaporation from the surface of the
14 pool.

15 In the case of anhydrous ammonia,
16 virtually all releases are jet releases of
17 material which form an aerosol and move downwind.

18 So what we have is a situation where a
19 release outside the containment area would not
20 result in significant pooling, in my opinion. So
21 there's little value to that sort of mitigation
22 there.

23 The berming under the tank is a good
24 idea because if you did have any -- if, in the
25 very unlikely event you did have a major failure

1 of the tank, there would be some liquid which
2 would pour into the concrete basin. The concrete
3 basin also acts as a protection from physical
4 damage to the tank by heavy vehicles and so on.

5 So, that's why you're not seeing that
6 mitigation employed here, is because of the
7 difference in the physical characteristics of the
8 material.

9 HEARING OFFICER GEFTER: And isn't it
10 the case that anhydrous ammonia is actually more
11 dangerous than the aqueous ammonia?

12 MR. TYLER: That's true, it has a much
13 much greater internal energy in the tank. The
14 tank -- you're talking about a liquefied gas under
15 pressure. So any breach in the tank, the internal
16 energy in the tank provides a mechanism to drive
17 the material out in a rapid manner, and it results
18 in much larger concentrations downwind.

19 However, I'd keep in mind that if you
20 have a double-walled tank, if you have failure of
21 the internal tank, you have an outer wall in the
22 tank which then prevents actual release of
23 material.

24 And further, under those circumstances
25 the pressure is significantly reduced because the

1 internal volume of the tank increases.

2 HEARING OFFICER GEFTER: I want to ask
3 the applicant what is the reason that you've
4 chosen to use anhydrous ammonia rather than
5 aqueous ammonia in terms of safety?

6 MR. BUCHANAN: If I can defer for just a
7 moment.

8 HEARING OFFICER GEFTER: Okay.

9 (Pause.)

10 MR. BUCHANAN: Thank you for my trusty
11 assistants here. There were a number of reasons
12 we went to anhydrous. One is with the use of
13 anhydrous ammonia, which is used in the catalytic
14 reduction process in the HRSGs, given its greater
15 concentration you can use much less of it and
16 accomplish more.

17 Given the nature of the site and the
18 nature of the location it appeared to us that the
19 ability to manage anhydrous ammonia on site was
20 manageable. The risk to public health was
21 minimal. And that the use of anhydrous would
22 greatly reduce the amount of truck trips into the
23 facility.

24 And according to our AFC, the current
25 usage would necessitate only one truck trip into

1 the facility each week.

2 So in terms of the total public health
3 and public safety situation, we believe the
4 anhydrous, given the site again, and given the
5 fact that we do reduce the number of truck trips,
6 it was the best solution.

7 HEARING OFFICER GEFTER: What provisions
8 does applicant have to protect hazardous releases
9 of ammonia on site to the workers?

10 MR. BUCHANAN: Again, as Mr. Tyler
11 alluded to, and as I spoke to, we will and are
12 required, of course, to put together various
13 operating procedures, as I described, regarding
14 the off-loading facility features, as I have
15 already described for the record.

16 The normal operation of the facility
17 that might result in a release would be such that,
18 say a leak in a pipe over in one of the units,
19 would be handled as part of our normal hazardous
20 materials training and reaction. I've lost the
21 word -- as part of our normal operating training
22 program, given the fact that we will be handling
23 hazardous materials of different kinds in various
24 quantities, that that would be part of our
25 operator training program.

1 And it is typical in -- if I can
2 elaborate for a second, it's typical in these
3 kinds of facilities that we maintain and have
4 appropriate training and access to all the various
5 safety equipment that you would expect for these
6 kinds of materials. Scott Air Packs, respirators,
7 and other kinds of protective gear.

8 MR. SALAMY: I might add that the
9 process safety management plan is actually
10 designed, or implemented to protect worker safety.
11 It's actually administered under CalOSHA. So they
12 would have an extensive emergency response plan
13 and extensive notification of the employees as to
14 the risks associated with ammonia. And would have
15 training in how to respond in the event of an
16 accident.

17 MR. BUCHANAN: I have one piece of
18 information I was just reminded of, if I may?

19 Rick, perhaps you can refresh our
20 memory. We did docket the full hazardous material
21 response and training materials that we currently
22 operate under, under the existing Dow plant, which
23 also is anhydrous ammonia.

24 I'd have to look at the docket log to
25 see when we did that, but I guess that was during

1 the spring, I believe.

2 MR. SALAMY: I remember seeing it, but I
3 don't remember --

4 MR. BUCHANAN: Okay. For the record, we
5 did address it in the docket record the procedures
6 we currently operate under with the existing Dow
7 plant.

8 HEARING OFFICER GEFTER: Okay, we'd
9 appreciate it if you could identify it for us more
10 specifically. So if it does exist in the docket
11 unit we can locate it, or you can submit another
12 copy for us. Thank you.

13 Commissioner Pernell has a question.

14 COMMISSIONER PERNELL: Thank you. The
15 safety plan that you were just referring to, will
16 that plan be in place during the testing stage?
17 In other words, before the tank is filled?

18 I would assume that we're going to have
19 some of this material during the testing stage of
20 the plant. And my question is will that plan be
21 in place during the testing stage?

22 MR. SALAMY: The RMP will have to be in
23 place prior to the delivery of anhydrous ammonia
24 to the facility. That's required because under,
25 normally if this was handled at the local level

1 they would have to have an occupancy permit in
2 place before they handled the materials, so they'd
3 have to have the RMP in place.

4 However, in light of what I've heard
5 today, with regard to CalOSHA's position, it's my
6 belief that they would be required by law to have
7 the plan in place, and implemented prior to
8 handling the materials. That's clear in the
9 regulations.

10 But it's not at all clear to me that
11 OSHA would have reviewed, completely reviewed that
12 plan prior to the handling. However, staff will
13 review the plan prior to the handling of anhydrous
14 ammonia at the facility.

15 COMMISSIONER PERNELL: Thank you.

16 HEARING OFFICER GEFTER: Does staff have
17 any redirect of its witness?

18 MR. RATLIFF: No.

19 HEARING OFFICER GEFTER: Does the
20 applicant have any recross?

21 MR. HARRIS: No.

22 HEARING OFFICER GEFTER: Thank you, the
23 witness may be excused.

24 MR. SALAMY: Thank you.

25 HEARING OFFICER GEFTER: Our next topic

1 is waste management.

2 (Pause.)

3 HEARING OFFICER GEFTER: Is the
4 applicant prepared to go forward on waste
5 management?

6 MR. HARRIS: Yes, we are.
7 Whereupon,

8 SUSAN STRACHAN
9 was recalled as a witness herein and having been
10 previously duly sworn, was examined and testified
11 further as follows:

12 DIRECT EXAMINATION

13 BY MR. HARRIS:

14 Q I'd ask the witness to identify herself.

15 A Susan Strachan.

16 Q And what subject matter is your
17 testimony?

18 A Waste management.

19 Q And specifically which documents are
20 sponsored as part of your testimony?

21 A Section 8.13 of the AFC, AFC appendix
22 8.13A and response to CEC data request number 61,
23 which was filed on March 31st.

24 Q Okay. These documents were prepared
25 either by you or at your direction?

1 A Yes.

2 Q And based upon your review of the
3 testimony are the facts true to the best of your
4 knowledge?

5 A Yes, they are.

6 Q Do you have any changes or corrections
7 to your testimony?

8 A No, I don't.

9 Q And do you adopt this as your testimony?

10 A Yes, I do.

11 Q You've had a chance to review the final
12 staff assessment?

13 A Yes, I have.

14 Q And you've reviewed the proposed
15 conditions of certification in the final staff
16 assessment?

17 A Yes, I have.

18 Q And do you find it acceptable?

19 A Yes.

20 MR. HARRIS: At this point I'd like to
21 move into evidence section 8.13 of the AFC;
22 secondly, AFC Appendix 8.13A; and I think the
23 response to number 61 is a new one. Have we got
24 that one in there yet?

25 THE WITNESS: I believe that one's

1 already in.

2 HEARING OFFICER GEFTER: Is that part of
3 exhibit 6?

4 MR. HARRIS: You're right, it is part of
5 exhibit 6.

6 HEARING OFFICER GEFTER: Okay, so you're
7 referring to section 8.13 of the AFC and section
8 8.13A of the appendix to the AFC?

9 MR. HARRIS: Correct.

10 HEARING OFFICER GEFTER: Is there
11 objection to admitting those documents into
12 evidence?

13 MR. RATLIFF: No.

14 HEARING OFFICER GEFTER: Okay. Those
15 documents are now received into evidence.

16 (The above-referenced documents,
17 previously marked Applicant
18 exhibits AFC Section 8.13, Appendix
19 8.13A, were received in evidence.)

20 MR. HARRIS: And we'd make the witness
21 available for cross-examination at this point.

22 HEARING OFFICER GEFTER: Does staff have
23 cross-examination of the witness?

24 MR. RATLIFF: No.

25 HEARING OFFICER GEFTER: Are you ready

1 to proceed with your witness?

2 MR. RATLIFF: Yes.

3 HEARING OFFICER GEFTER: We'll have the
4 witness sworn and then identify your position on
5 staff.

6 Whereupon,

7 MIKE RINGER

8 was called as a witness herein and after first
9 being duly sworn, was examined and testified as
10 follows:

11 MR. RATLIFF: The witness is Mike
12 Ringer.

13 DIRECT EXAMINATION

14 BY MR. RATLIFF:

15 Q Mr. Ringer, did you -- I think you have
16 to actually tell your qualifications, your
17 position on staff and duties first.

18 A Okay. I'm health and safety program
19 specialist. I've been doing waste management
20 analyses in the environmental office of the siting
21 division since 1987. I've testified in numerous
22 cases before the Commission.

23 Q Did you prepare the testimony entitled
24 waste management that is part of the FSA, part 1?

25 A Yes, I did.

1 Q Do you have any corrections to make to
2 that?

3 A No, I don't.

4 Q Is it true and correct to the best of
5 your knowledge and belief?

6 A Yes.

7 Q Could you summarize it briefly?

8 A In my analysis I had three objectives.
9 The first to make sure that all waste generated
10 during construction and operating the facility
11 would be managed in an environmentally safe
12 manner.

13 That disposal of project wastes would
14 not significantly adversely affect existing waste
15 disposal facilities. And that management of
16 wastes would be in compliance with all LORS.

17 As part of the analysis, I took a look
18 at the phase 1 environmental site assessment,
19 which was done by the applicant to determine
20 whether or not there was existing contamination on
21 the site. And the results of that analysis were
22 that there were no recognized environmental
23 conditions which meant that there is a low
24 likelihood that there will be much contamination
25 on site to have to deal with during construction.

1 Wastes generated during construction
2 would include both hazardous and nonhazardous
3 wastes. Nonhazardous wastes include common
4 construction-related wastes such as wood, paper,
5 glass and plastics, excess concrete, metal, things
6 like that.

7 This project would not generate
8 significant amounts of such wastes, and much of
9 the wastes that are generated would be recycled.

10 Similarly, hazardous wastes generated
11 during construction are relatively common in such
12 construction projects. They include waste oil and
13 grease, paint, solvent, et cetera. And the
14 quantities of these wastes would not be very
15 large, either. They would not significantly
16 impact any of the waste disposal facilities for
17 which they were destined to be sent.

18 During operation this type of facility
19 does not generate much in the way of wastes.
20 There are both nonhazardous and hazardous wastes.
21 They are somewhat similar in nature to the
22 construction types of wastes. Many of the types
23 of wastes that are generated would be recycled.
24 And the amount that's left over would not unduly
25 affect landfills where they would be taken.

1 There are about three landfills in the
2 area, two of which can take these wastes. And
3 those landfills have adequate capacity and
4 lifetimes such that they wouldn't be affected by
5 the quantities of wastes generated by this
6 project.

7 So my final determination is that this
8 project would not significantly affect any of the
9 landfills in the area, would not pose any
10 problems, and with the conditions of certification
11 that I've proposed, in addition to the mitigation
12 proposed by the applicant, that all LORS would be
13 satisfied and there would be no significant waste-
14 related impacts.

15 Q Does that conclude your summary?

16 A Yes.

17 HEARING OFFICER GEFTER: Is there cross-
18 examination of the witness?

19 MR. HARRIS: No.

20 HEARING OFFICER GEFTER: Does the
21 Committee have any questions of the witness?

22 The witness may be excused, thank you.

23 I have some final remarks before we
24 conclude the hearing today. First of all, as we
25 concluded all the topics that were scheduled for

1 today, October 5th, it will not be necessary to
2 continue the hearing tomorrow. So therefore the
3 hearing that was scheduled tentatively for
4 tomorrow, October 6th, here in Sacramento, is
5 canceled. We'll put a notice up on the door
6 indicating that.

7 None of the intervenors are listening in
8 on the telephone to hear this information. I will
9 indicate this to the Public Adviser's office.
10 Hopefully she will be able to contact the
11 individuals between now and 2:00 p.m., when we had
12 scheduled that tentative hearing.

13 We ought to review the exhibits that
14 we've admitted so far. I know it's a late hour,
15 but better to do it now while we're on the record.
16 So I want to go over the exhibits that I have
17 indicated here, which ones have been received so
18 far.

19 Portions of exhibit 2 have been
20 received. At the conclusion of all the hearings
21 we will expect the applicant to, at that point,
22 move to admit all the portions of the AFC into
23 evidence.

24 We have exhibit 3, which was received
25 into evidence today. Exhibit 4 was received into

1 evidence. Exhibit 5 was received into evidence.
2 Exhibit 6 was received into evidence today.
3 Exhibit 9 was received into evidence. Exhibit 10
4 was received into evidence today.

5 Exhibit 11 was received into evidence.
6 Exhibit 16 was received into evidence. I have
7 exhibit 21 was received into evidence. Portions
8 of the FSA, which is exhibit 20, were received
9 into evidence with respect to the testimony that
10 was presented today. Again, at the conclusion of
11 all of our hearings on the topics that are
12 included in exhibit 20, we will ask staff to move
13 the entire document into evidence.

14 Exhibit 22 was received today into
15 evidence. Exhibit 24 was received into evidence.
16 Exhibit 25, 26 and 27 were received into evidence.

17 Do I hear any corrections or any other
18 questions regarding those pieces of evidence?

19 Okay, well, at this point those are the
20 exhibits that are now received into the record.

21 With respect to a briefing schedule, the
22 briefing schedule was omitted from the Committee's
23 preferred schedule. However, we often find that
24 briefs summarizing the testimony and offering
25 argument regarding the testimony, those briefs are

1 often helpful to the Committee in reviewing the
2 evidence.

3 Therefore, we have established a
4 briefing schedule that I'm going to announce to
5 you today. The briefing schedule fits within the
6 hearing schedule. And so it will mean doing
7 double duty, both for the parties, as well as for
8 the Committee.

9 Optional briefs on today's topics are
10 due on October 18th. You may want to focus on
11 alternatives. That was the topic in which we
12 heard from the intervenors in particular.

13 The briefs on the topics that we have
14 scheduled for October 13th will be due October
15 25th. And then briefs on the topics scheduled for
16 October 27th and November 3rd are due on November
17 10th. And that would include the November 3rd
18 topics of air quality and public health, which
19 tend to be the most complex areas. And so I'm
20 giving you notice now that if you want to start
21 preparing those briefs for November 10th, that
22 would be helpful. We need the briefs on those
23 dates to assist us in preparing the proposed
24 decision.

25 Any comments from the parties on this

1 briefing schedule, or any other housekeeping
2 matter? Applicant?

3 MR. HARRIS: I want to make sure I have
4 the dates. So October 18 for the subject matter
5 covered today?

6 HEARING OFFICER GEFTER: Yes.

7 MR. HARRIS: October 25th for the
8 subject matters to be covered on the October 13th
9 hearing?

10 HEARING OFFICER GEFTER: Yes.

11 MR. HARRIS: And November 10th for the
12 matters to be covered on October 27 and November
13 3rd?

14 HEARING OFFICER GEFTER: Yes.

15 MR. HARRIS: Thank you.

16 HEARING OFFICER GEFTER: Are there any
17 other comments before I go to the staff?

18 MR. HARRIS: No.

19 HEARING OFFICER GEFTER: Does staff have
20 any comments on the briefing schedule or any other
21 comments?

22 MR. RATLIFF: No.

23 HEARING OFFICER GEFTER: Is there anyone
24 on the phone, any parties, CURE, CAP-IT, Public
25 Adviser? There have been no intervenors or other

1 members of the public on the phone since we
2 reconvened this afternoon after lunch other than
3 the Public Adviser, who provided comments at one
4 point received from one of the intervenors.

5 If there are no further comments from
6 any of the parties, we will adjourn this hearing.
7 We will reconvene on October 13th at the Delta
8 Diablo Sanitation District Board Room, which is in
9 the Pittsburg area.

10 And that particular hearing on October
11 13th begins at 6:00 p.m. in the evening.

12 We're adjourned.

13 (Whereupon, at 5:20 p.m., the hearing
14 was adjourned, to reconvene at 6:00
15 p.m., Wednesday, October 13, 1999, at
16 the Delta Diablo Sanitation District
17 Board Room in Pittsburg, California.)

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CERTIFICATE OF REPORTER

I, DEBI BAKER, do hereby certify that I am a disinterested person herein; that I recorded the foregoing hearing on a tape recorder; that thereafter the tape recording was transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, or in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of October, 1999.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345